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**MARKETING ACTIVITIES****AND OTHER ECONOMIC WORK**

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

JAN 1, 1931

January 7, 1931

Vol. 11, No. 1

NEW JERSEY WOMEN ATTEND  
MARKETING CONFERENCE.

More than one hundred members of the National League of Women Voters and the Federation of Women's Clubs participated in a farmer-consumer marketing conference at the New Jersey College of Agriculture, December 12.

Mrs. Harris T. Baldwin, chairman of the living costs committee of the League, expressed the opinion that Federal and State governments must go further than merely promulgating grades and standards for farm products, in that an active educational program should be carried on to familiarize consumers with these grades and standards.

The assertion that crop conditions are responsible for demoralized conditions in markets was challenged by A. R. McAllister of Cumberland County, New Jersey, who spoke as chairman of the New Jersey Farm Market Relief Commission. In his belief tremendous costs of distribution and not surpluses are the real cause of unsold crops or low prices for crops on the farms. He said that very frequently a crop bringing low prices to the producer is high-priced and scarce in the cities. Improvements, he asserted, can be effected by the development of primary, secondary, farmers', and auction markets.

Consumers must share the blame for the high price of foodstuffs, Earl R. French of the New York Food Marketing Research Council told the gathering. He gave as a reason the ever-increasing demand for added services which tend to offset the gains from reducing distribution costs. He predicted that this tendency will increase as more and more women enter business and professional fields, leaving distributors to perform the services now being done by housewives.

William B. Duryee, secretary, New Jersey Department of Agriculture, attacked the idea that governmental assistance is of benefit only to farmers. He said that there is much proof to show that consumers derive as much benefit as producers. In New Jersey, he pointed out, marketing aid is being provided by the State Department of Agriculture through the promulgation of grades for farm products, by the dissemination of market news and information, the supervision of public markets, and the inspection of graded farm products.

Dr. J. G. Lipman, director of the New Jersey Agricultural Experiment Station, praised the conference as a new approach to the farm marketing problem. He pointed out that, through meetings promoted by the League of Women Voters and the Federation of Women's Clubs, consumers can learn why there are widespread differences between farm and retail prices and how to support programs designed to improve the marketing of farm products.

A committee of five was appointed by the League of Women Voters to cooperate with the State Department of Agriculture in the furtherance of a program to bring the consumer and producer closer together. W. B. Duryee and W. W. Oley, of the State Department of Agriculture, will serve as consulting members.

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Attn., Miss Trolinger,  
Washington, D. C.

CALIFORNIA PROMOTES  
FARM ACCOUNTANCY METHODS.

In an endeavor to aid the farmers of California to find the cost of production, the profit on their various enterprises and to assist them in putting their business on a sound financial basis, the University of California Agricultural Extension Service is working, through L. W. Fluharty, specialist in economics, to get facts and figures on the agricultural industry of the State.

Enterprise efficiency studies have been conducted during the past five years on many of the crops in California by the Agricultural Extension Service. The fruit crops included in these studies are apples, apricots, grapes, peaches, prunes, and citrus. In the field crop division the studies include alfalfa, beans, cotton, potatoes, and wheat. A great deal of work in many counties has been done on dairying and poultry; beef, hogs, sheep and turkeys also have been studied to determine their relative profitability.

The enterprise efficiency and cost studies are carried on under the direct supervision of the farm advisor in the various counties. Records are kept on standard forms. Each farmer keeps a daily record of labor and cash cost for the enterprise and sends this record to the farm advisor at the end of each month. Up to the end of 1930 records from 4,650 farms had been secured.

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ALABAMA CAMPAIGNS  
ON COST REDUCTION.

As a sure way to increase their net returns, Alabama farmers are now being advised by their county demonstration agents to cut the cost of production to the lowest point, not sacrificing efficiency and economy, the Alabama Extension Service has announced. On December 29-30 the Alabama Extension Service held a "low-cost production" meeting of county agents.

The Service has announced that Alabama farmers should stress four factors this year: Cheap production, fewer acres in cotton, ample food and feed for the farm, and production of one or more cash crops in addition to cotton.

County agents in Alabama are advising farmers how to reduce costs as well as urging them to make the reduction. Meetings are being held, articles written for newspapers, conferences conducted and other means of disseminating educational material are being employed to impress upon farmers the importance of low-cost production.

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POTATOES BEING PACKED  
IN 10-POUND PAPER BAGS.

A firm of larger potato growers and shippers in the Stockton district of California has constructed a washing and packaging plant for Burbank potatoes at Los Angeles. The potatoes are washed, dried, graded and packed in 10-pound paper bags in one operation. The company has put on an advertising campaign in local newspapers, emphasizing the washing and consumer-package features.

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VIRGINIA URGES CREATION  
TOBACCO MARKET NEWS SERVICE.

Establishment of a Federal market news service on tobacco is being urged by J. H. Meek, director, Virginia Division of Markets. Mr. Meek says that the development of the Federal-State tobacco grading service gives a basis for developing a market news service on tobacco. In a statement entitled "Some Reasons Why Congress Should Appropriate \$30,000 to the United States Department of Agriculture for a Market News Service on Tobacco," Mr. Meek points out that "tobacco is the only agricultural product that pays a revenue to the United States Government," this revenue amounting annually to nearly one-half billion dollars or almost twice the annual amount all tobacco growers have been receiving for their annual crop. He says that "with the deplorable condition of the tobacco growers at present, and the prospects of materially helping them and the industry also with a small appropriation by Congress, it seems that the amount requested of Congress for this service to help the industry is reasonable."

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FOUR CROP LOAN  
OFFICES TO BE OPENED.

Field offices for handling loans to farmers in drought and storm areas for the purchase of seed, fertilizer, and feed for work stock, and fuel and oil for tractors used in crop production, will be established by the United States Department of Agriculture at St. Louis, Mo., and Memphis, Tenn., in addition to offices already in operation at Grand Forks, N. Dak., and at Washington, D. C.

The office in Washington will make loans to farmers in Virginia, Maryland and West Virginia and in counties where drought damage was serious in 1930 in Ohio, southern Pennsylvania, south central Michigan, southwestern North Carolina, and northwestern Georgia. This office will be in the charge of George L. Hoffman.

The Memphis office will make loans in Arkansas, Tennessee, Louisiana, Mississippi, and Alabama, and will be supervised by J. H. Lynch. The St. Louis office, supervised by T. Weed Harvey, will make loans in Kentucky, southern Indiana, southern Illinois, and in those areas of Missouri, Kansas, Oklahoma, and Texas where drought damage was serious in 1930. Walter E. Eliff at Grand Forks will supervise loans in Minnesota, North Dakota, South Dakota, Montana, Wyoming, and Washington in those counties where drought or storm damage occurred last summer.

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IOWA FARMERS COMPLETE  
FARM RECORDS FOR 1930.

Approximately 750 Iowa farmers from 54 counties completed the keeping of farm records as a part of the farm management project during 1930, according to J. C. Galloway in charge of farm management work at Iowa State College. This number is three times the number of farmers who completed the work in 1926, the first year it was offered. A total of 65 counties have included farm management work in their 1931 program.

WIDESPREAD EFFORT TO CUT  
PRODUCTION COSTS IS NOTED.

The new year finds farmers faced with the necessity of reducing production costs, says the Bureau of Agricultural Economics in its January 1 summary of the agricultural situation. Forced to operate under conditions of low-priced farm products and a relatively high level of wages and charges, the bureau reports efforts by farmers to cut costs by using only their best land, improved equipment, productive stock and seed, and by careful planning of work.

Reviewing agricultural events of the past year, the bureau says that "the year 1930 proved to be one of rather bewildering developments. A great drought reduced corn, hay, and pasture to the smallest crops in many years. A major industrial depression curtailed the market for cotton, meat, milk, and various other products. A precipitous, world-wide decline in general commodity prices put further pressure especially upon raw materials, including farm products. An accumulated supply of wheat added to the distressed market position of that important crop. Even among bad years, 1930 stands unique.

"Agricultural production, as a whole, declined in 1930. Total crop production was about 5 per cent less than in 1929. In 1930 the total output of the principal crops was 7 per cent less per capita than in 1929 and 13 per cent less than the previous 10-year average. Notwithstanding drought and feed shortage, the total slaughter of meat under Federal inspection in the first 10 months (amounting to  $10\frac{3}{4}$  billion pounds), was about 4 per cent less this year than last.

"The amazing thing, from the farmers' standpoint, was the sweeping decline in prices."

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WHOLESALE HELD LIABLE  
FOR QUALITY OF EGGS.

Quoting from a recent issue of "The Daily Food News," Earl R. French of the New York Food Marketing Research Council, reports that "wholesale dealers are held responsible for the quality of eggs placed on the market for human consumption in a decision handed down in New York by Supreme Court Justice William F. Dowling.

"The question of whether a wholesale dealer could be held liable was raised by the local branch of a meat packing firm, who were alleged to have sold recently an inferior grade to a local retail dealer. The packer moved to dismiss the State's complaint on the contention that it did not specify facts sufficient to constitute a cause of action, that Article 13-A of the Agricultural and Market Law did not apply to the sale of eggs by a wholesaler to a retailer, and that the article in question is unconstitutional. Justice Dowling ruled that 'the statute, casually read, seems somewhat confusing, but on careful study and analysis the intent of the Legislature to penalize wholesalers and commission merchants as well as retailers for false, misleading and inexact statement in regard to eggs offered for sale for human consumption becomes manifest.' He said that 'the statute is a reasonable and wholesome provision for the protection of the public health, and does not violate any of the constitutional rights of the defendant.' 'To adopt the contention of the defendant that the statute can be violated only by the retailer who sells the consumer directly would be to thwart the very purpose of the Legislature in enacting the statute.'"

POTATO FUTURES MARKET  
IS OPENED IN CHICAGO.

Trading in future deliveries of potatoes will begin on the Chicago Mercantile Exchange on January 12. The first trading will be in Idaho russets for March delivery. It is planned later to add a round white potato delivery. The United States No. 1 grading will be used, but with a few changes, making the exchange requirements slightly higher.

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NEW YORK TO MARKET  
FROZEN SLICED APPLES.

A new process for freezing sliced apples without chemical preservatives and "without detracting from the color or flavor of the fruit" was announced before the New York State Canners, Inc., in convention at Rochester, New York, recently. It was pointed out that pie bakers wanting to use 100,000 pounds of apples now have to buy 150,000 pounds to allow for waste in removing cores and peeling slices. The new process, it is said, will eliminate this waste. After being peeled and sliced the apples are frozen in a container.

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NEW YORK CITY MAKING  
SURVEY OF FOOD OUTLETS.

An enumeration is being made of the various food outlets within the corporate limits of the City of New York designated according to type or kind of food medium, by the New York City Bureau of Foods and Drugs. Both retail and wholesale outlets are being classified. The enumeration is limited to the number and geographical location of food outlets, and will not indicate the size of establishments nor type of managements.

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VOLUME OF PACIFIC COAST  
EGGS TO NEW YORK INCREASED.

A phenomenal increase in volume of fresh eggs arriving at the New York market from the Pacific Coast during the early fall and winter is making important inroads on supplies from the middle west and the area contiguous to the New York market, according to Earl R. French of the New York Food Marketing Research Council.

Western supplies, Mr. French says, have increased until monthly fall receipts total approximately 180,000 cases, or approximately 50 per cent of all receipts coming into the New York market. For the month of November just passed, receipts from the Pacific Coast exceeded 200,000 cases, or 60 per cent of all arrivals. Mr. French says that some of the men associated with the New York market have attributed the heavy Pacific Coast supplies as one of the chief reasons for the storage egg deal disaster during the present season. This business from the Pacific Coast has been developed within the last ten years.

IN CONGRESS:

It is expected that the Subcommittee of the Senate Committee on Appropriations will open the hearings on the Agricultural Appropriation bill, on January 8, 1931.

S. J. Res. 211, by Senator McNary, for the relief of farmers in the drought and/or storm-stricken areas, which authorizes an appropriation of \$45,000,000, has been signed by the President.

H. R. 14804. - by Mr. Wood, making supplemental appropriations to provide for emergency construction on certain public works with a view to increasing employment has been signed by the President.

BILLS INTRODUCED:

H. R. 15501 - by Mr. Garber, a bill in support of extension agents for the relief of counties in the drought-stricken areas.

S. 5441 - by Senator Robinson, to assist in the organization of agricultural credit corporations.

H. R. 15502 - by Mr. Cross, for the prevention and removal of obstructions upon interstate commerce in agricultural commodities by regulating transactions on commodity exchanges, putting a stop to short selling thereon, and for other purposes.

H. R. 15553 - by Mr. Jones of Texas, to provide for the issuance of agricultural export debentures.

S. Res. 384 - by Senator Brookhart, authorizing and directing the Committee on Agriculture and Forestry of the Senate\* \* \* to investigate and report\* \* \* the reasons why whole-wheat flour is higher in price than white flour and why brown and unrefined sugars are higher in price than white and refined sugars and particularly whether such conditions are a result of a combination in restraint of trade.

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PUBLICATIONS

"Cooperative Marketing of Dairy Products," has been issued as Bulletin 238 by the North Dakota Agricultural College, Fargo, N. Dak.

"FARMERS BUILD THEIR MARKETING MACHINERY," has been issued as Bulletin 3 by the Federal Farm Board. This publication details the "set-up" of the national sales agencies.

"MARKET HOG AND TON LITTER PROJECTS FOR 4-H CLUB MEMBERS" has been issued as Extension Circular 181 by the North Carolina Extension Service, Raleigh, N. C.

STATE AND FEDERAL

# MARKETING ACTIVITIES

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January 14, 1931

Vol. 11, No. 2

### PLANS UNDER WAY FOR FEDERAL AND STATE OUTLOOKS.

Dates are being set and factual material is being assembled for the annual outlook meetings to be held by the Federal Bureau of Agricultural Economics and by the State agricultural colleges and extension services. The Federal bureau is expecting a large representation from the States at its outlook meetings which will culminate with the issuance of a national outlook report on February 2. Following the national outlook the various State agricultural colleges and extension services are planning to issue State or regional reports for farmers, and to hold outlook meetings with farmers.

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### CALIFORNIA GIVES RESULTS OF ECONOMIC SURVEY.

A survey of agricultural economic conditions in California, has led to the following recommendations by agricultural economists of the University of California:

Further development of the work of obtaining accurate information regarding markets for California crops and the trends of production in competing regions; consideration of the feasibility of revising the tax system; speedy adjustment of difficulties between bondholders and farmers in defaulting bonded districts; new type of credit facilities; better regulation of real estate dealers, finance companies, and marketing agencies, and better utilization of land and water sources.

The economists say in their report that "by collecting and disseminating truthful statements and regulating the activities of their members, chambers of commerce, real estate associations and other agencies can curtail unsound schemes and render assistance in taking care of excessive production. More careful analysis and interpretation of information relating to agriculture would enable lending agencies to carry on their credit operations better. The marketing situation can be improved by further coordination or consolidation of marketing agencies. Farmers can improve their incomes by a better selection of crops and livestock; by giving more thought to available information on the agricultural situation; by keeping accounts of their farm activities, and by using care in the selection of marketing agencies."

The survey was made at the direction of the last California legislature, and the report was submitted to the Governor of the State. The report and the recommendations of the University were presented to the members of the Agricultural Extension Service in annual meeting January 6, by H. R. Tolley, Professor of Agricultural Economics, and Assistant Director of the Giannini Foundation.

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Washington, D. C.

CHRISTENSEN RESIGNS AS  
FARM BOARD SECRETARY.

Chris L. Christensen has tendered to Chairman Legge of the Federal Farm Board his resignation as Secretary of the Board, effective in the early spring. Mr. Christensen will leave the board to become Dean of the College of Agriculture and Director of the Agricultural Experiment Station of the University of Wisconsin.

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MARYLAND MAPLE PRODUCERS  
TO USE INSPECTION SERVICE.

Maple producers in Garrett County, Maryland, will use Federal and State inspection on all grades of maple syrup, as well as cake sugar, this spring. The objective of this is to increase the mail-order trade now enjoyed by many of the maple producers. The association to which these producers belong has decided to use half-gallon containers to a greater extent in the future; to open one or more roadside markets to effect a larger local sale of syrup, and to adopt a trade name under which the lower grades of pure syrup may be sold.

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IOWA POULTRY RETURNS  
SHOW SMALL PROFITS.

Iowa poultry flocks made little more than two-thirds as much profit during 1930 as in 1929, if the annual report of calendar record flocks for 1930, just released by the poultry extension service at Iowa State College, is indicative of general conditions.

The average return above feed cost per hen in 1930 was \$2.26, whereas in 1929 it was \$3.10. The average feed cost per hen in 1930 was only \$2 as compared to \$2.42 in 1929. Lower market prices for poultry and eggs during the year, however, more than offset this lower feed cost. The average egg production per hen in 1930 was 125 as compared to 131.5 in 1929. While these figures would not apply to the average flock, they probably indicate the trend in general conditions.

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EARLY POTATO COMMITTEE  
HOLDING MARYLAND MEETINGS.

The Interstate Early Potato Committee is holding three meetings in the early Irish potato producing section of the Eastern Shore of Maryland for the purpose of advising growers as to the possible outlook for potatoes during the 1931 season. Meetings are being held at Snow Hill and Pocomoke City, January 15, and at Princess Anne on January 16.

NEW JERSEY TO DISCUSS  
DAIRYING PROBLEMS.

Practical problems of dairying will be considered in talks and discussions scheduled for Agricultural Week, January 27 to 30, at Trenton, New Jersey. Cooperative associations of milk producers and distributors, and breed associations will participate in the meetings. A. R. Merrill of the Connecticut Agricultural College will address the delegates on the subject of cow replacement methods.

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BRIEFS

THE IDAHO GRADING AND BRANDING OF POTATOES LAW was sustained recently by the Federal Court of Appeals in San Francisco, on an appeal from the Federal District Court of Idaho.

ILLINOIS COLLEGE OF AGRICULTURE gives the results of a study of "Prices of Illinois Farm Products from 1921 to 1929" in Bulletin 363 of which the author is L. J. Norton, assistant chief in agricultural economics at that college.

EXPORTS of agricultural products from the United States registered a further decline during the month of November, and were the smallest for any November since 1921, says the Bureau of Agricultural Economics.

WORLD COTTON CROP, season beginning August 1, 1930, is estimated by the Bureau of Agricultural Economics at 26,400,000 bales of 478 pounds net, compared with 26,300,000 bales the preceding year. The total cotton acreage planted this season is estimated at 82,300,000 acres for all countries, excluding China, an increase of 400,000 acres over last season's area.

FARM PRODUCTS PRICES in December dropped below the pre-war level. At 97 on December 15, expressed as an index number, prices were down 6 points from November 15, and were 33 points lower than in December 1929.

TENTATIVE market classes and grades of kips and calfskins (revised) have been issued in mimeograph by the Bureau of Agricultural Economics.

RICE FACTS, 1930-31 outlook with charts, are presented in a mimeograph bearing that title, just issued by the Bureau of Agricultural Economics. The bureau says that "rice acreage in the southern states for 1931 can probably be maintained at 873,000 acres, the amount grown in 1930, without depressing prices below the 1930-31 level."

A STATISTICAL TABLE giving by States the number of bankruptcies among farmers as compared with the total of all bankruptcies, for the fiscal years 1929 and 1930 may be obtained from the Bureau of Agricultural Economics.

RESULTS of a study of farmer elevator operation in the spring wheat area are presented in a preliminary report issued by the Bureau of Agricultural Economics.

IN CONGRESS:

H. R. 15592, - the first Deficiency Bill has passed the House. The bill carries an appropriation of \$33,980 for the Administration of the Warehouse Act.

H.J.Res.447 - by Mr. Wood, making appropriations to carry out the provisions of public resolution entitled "Joint resolution for the relief of farmers in the drought and storm stricken area of the United States" has passed both houses and is now in conference.

BILLS INTRODUCED:

H. R. 15985, - by Mr. Cross, for the prevention and removal of obstructions and burdens upon interstate commerce in agricultural commodities, by regulating transactions on commodity exchanges, putting a stop to short selling thereon.\* \* \*

H.J.Res.461, by Mr. Almon, authorizing the appropriation of \$30,000,000 to be expended by the American National Red Cross for the purchase of food and clothing for the purpose of relieving distress among the unemployed and in drought-stricken areas.\* \* \*.

S. 5659, - by Senator Sheppard, authorizing rental payments to the Houston Cotton Exchange for space used by the classification committee of the United States Department of Agriculture.

H. R. 15990 - by Mr. Sinclair, to extend the time for repayment of certain loans to farmers for seed, feed and fertilizer \* \* \*

H.J.Res. 451- by Mr. Jones of Texas, to establish a rate-adjustment division for the benefit of agriculture.

H. R. 15617 - by Mr. Glover, to aid agricultural extension work in the drought stricken areas.

H.J.Res. 451- by Mr. Blanton, directing Federal land banks to suspend and withhold foreclosures of mortgage securing a loan made by banks in the drought areas \* \* \*

S. Res. 391 - by Senator Brookhart, authorizing and directing the Committee of Agriculture and Forestry \* \* \* to investigate and report \* \* \* the reasons why whole-wheat flour is higher in price than white flour and why brown and unrefined sugars are higher in price than white and refined sugars \* \* \*

S. 5542 - by Senator Capper and H. R. 15618, by Mr. Dickinson, to amend the grain futures act by placing restrictions on future trading.

STIPULATION THAT AGREEMENT WAS CONTINGENT UPON UNAVOIDABLE  
CAUSES HELD TO EXCUSE PERFORMANCE BY SELLER BUT NOT TO  
EXTEND TIME FOR DELIVERY

Haskins Trading Co.

v.

S. Pfeifer & Co.

Court of Appeal of Louisiana, October, 1930, (130 So.469).

From a judgement in favor of plaintiff the defendant appeals.  
Reversed.

Under contract the Haskins Trading Company agreed to sell to S. Pfeifer & Company and to deliver in New Orleans a certain quantity of Mexican black-eye peas. The contract stipulated for the shipment of the merchandise "immediately from Mexican interior point" and for payment on arrival and inspection in New Orleans. On the margin appeared the following: "All agreements are contingent upon strikes, delays of carriers and other causes unavoidable and beyond our control".

The merchandise left the Mexican interior point in time to comply with the stipulation for immediate shipment but upon arrival at the Mexican border it was learned that the Mexican Government had placed an embargo against the exportation of black-eye peas, and consequently the shipment could not go forward. It was, therefore, unloaded and placed in storage. Some fifteen days later the embargo was lifted and the peas were again loaded into a freight car and the shipment crossed the border to the United States and was delivered at New Orleans. The defendants in the meantime learned of the delay caused by the embargo and notified plaintiffs that since the arrival would be delayed they would refuse to accept delivery on arrival. Plaintiffs protested in writing advising that the embargo has been lifted and that the delay had been caused by matters beyond their control. Delivery was refused by defendants. Thereupon the plaintiffs sold the peas in the open market and brought this suit for the loss sustained by them, that is, the difference between the contract price and the price obtained in the market.

The cause of the delay, it was stated, was one of the contingencies provided for in the contract, but as to the interpretation of the reservation there is disagreement. Plaintiffs maintained that such an event merely suspends the operation of the contract, and that where, as here, performance is temporarily rendered impossible, the matter remains in status quo until the termination of the condition. Defendants declared that the marginal reservation in question was not intended to give to sellers the right to force the buyers to accept delivery after the delay but was intended merely to exempt the sellers from liability for damage for failure to comply with the contract. The contract fixed no time for delivery, it being limited to the requirement that shipment be made "immediately". This they agreed should be within a reasonable time.

It is indicated that except for the embargo the purchasers probably would have received the peas about two weeks earlier than they did. The record shows that the market price of such peas maintains a firm tone during early August but that during the last ten days of that month it breaks badly due to importations from other sections. In such situation time is considered to be of the essence of the contract and the purchaser cannot be compelled to accept delivery of merchandise after the expiration of the time fixed, nor after a reasonable delay when no time is set forth. Therefore, unless by the marginal stipulation there is reserved to the sellers the right to deliver after a reasonable time has elapsed that right is lost and the purchasers cannot be forced to accept and pay for the article in question.

After the citation of cases on this question the court continued, "We express the view that as soon as that delay existed for so long a time to wait longer would have placed them in peril of liability to those to whom they had contracted to deliver, they were then justified in protecting themselves as they did. \*\*\* It would be most unfair to require that a purchaser, unless he expressly and unequivocally agreed thereto, should be indefinitely held under the obligation to accept a purchase of which he is in immediate need but which for all he knows may be months in arriving". It is indicated further that the trial judge was of the opinion that the stipulation in question had the effect of suspending the operation of the contract until the termination of the event which made delivery impossible. This opinion the court here held to be in error.

- H. F. Fitts.

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PUBLICATIONS  
(B.A.E. Mimeographs)

"Some Principles of Graphic Presentation" by R. G. Hainsworth and Thew D. Johnson.

"Marketing Florida Strawberries in 1930," by R. Maynard Peterson.

"Marketing West Florida Vegetables, Manatee, Sarasota, and Wauchula Sections," summary of 1929-30 season, by R. Maynard Peterson.

"Summary of Standard Tobacco Grades for U. S. Type 23."

"Domestic Demand in 1930 and Prospects for 1931," by L. H. Bean.

Radio Talks:

"How Many Spring Pigs Next Year," by C. L. Harlan, December 23.

"Review of the Agricultural Situation," by A. B. Genung, December 31.

"The Poultry and Egg Market Situation," by Roy C. Potts, Dec. 30.

"The Citrus Fruits Situation," by B. C. Boree, December 30.

"January Hog Markets," by C. A. Burmeister, January 6.

"December Dairy Markets," by L. M. Davis, December 29.

"December Cattle Markets," by C. V. Whalin, December 16,

"1930 Production of Feed Grains," by Joseph A. Becker, December 19.

"1930 Production of Vegetables and Minor Food Crops", by Paul L. Koenig, December 19.

"How Much Wheat, Rye and Flax in 1930," by J. G. Diamond, December 18.

"Review of the Crop Season of 1930," by W. F. Callander, December 18.

STATE AND FEDERAL

# MARKETING ACTIVITIES

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January 21, 1931

Vol. 11, No. 3

### WASHINGTON CONFERENCE TO CONSIDER AGRICULTURAL OUTLOOK.

A conference of State and Federal economic workers from all parts of the country to consider the agricultural outlook for 1931 has been called by the Bureau of Agricultural Economics to meet at Washington, January 26 to 30.

Research economists of the State agricultural experiment stations have been invited by Nils A. Olsen, chief of the bureau, to participate in this conference. The situation as to current and prospective demand for farm products this year will be studied and the facts will be laid before farmers to enable them to adjust their farm business to meet changing economic conditions. A detailed report, covering about forty crops and classes of livestock, will be issued by the bureau at the conclusion of the conference, on February 2.

Representatives of the States at the conference will include economists and farm management authorities from practically all State colleges of agriculture and extension services. The Federal Farm Board will be represented and practically the entire Washington personnel of the Bureau of Agricultural Economics will participate. Bureau officials are now assembling all available economic information gathered by its world-wide organization of economists and farm commodity officials, for use at the conference.

Plans are being made for nation-wide dissemination of the national outlook report by press and radio and the distribution of printed copies of the outlook to farmers. Secretary Arthur M. Hyde of the Department of Agriculture, Chairman Alexander Legge of the Federal Farm Board, C. W. Warburton, Director of Extension Work, Nils A. Olsen and other officials of the Bureau of Agricultural Economics will broadcast the results of the conference over a nation-wide chain of radio broadcasting stations on February 2.

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### NEW MEXICO EXTENSION SERVICE EMPHASIZES LIVESTOCK IMPROVEMENT.

The main emphasis in the extension program of the New Mexico Extension Service is being placed on livestock management and improvement, the Service has announced. During the past year, 13 cattle grading demonstrations were given in 10 counties, with the cooperation of the Bureau of Agricultural Economics. These demonstrations have been conducted annually for the past five years and have reached more than 1,000 ranches in New Mexico. Improvement of livestock, particularly beef cattle, is reported to have made good progress.

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Attn., Miss Trolinger,  
Washington, D. C.

IDAHO POTATOES BEING  
WASHED BEFORE MARKETING.

The practice of washing potatoes before marketing is reported to be increasing in the West. Seymour Jones, Oregon State Market Agent, says that "in some parts of Idaho the potatoes are washed and dried before shipment, and it is claimed that 400 carloads have been thus treated so far this season. Potatoes undergoing this process are beautifully bright and clean, but they must be disposed of quickly in order to avoid deterioration, as they are subject to many unfavorable possibilities after washing."

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NEW ENGLAND OFFICIALS  
CONSIDER INSPECTION SERVICE.

Establishment of a New England-wide inspection service was considered at the January 8 meeting of the New England Association of Marketing Officials, at Worcester, Mass. One of the problems incident to the establishment of such a service is the legal authority of the various States as to inspectors working outside the State. It was also brought out that the Federal law requires that the Federal Government can inspect only at the request of a financially interested party, so that under present legislation the Federal Government could not participate in providing a roving inspector.

The question as to a cooperative agreement for State-Federal apple inspections, especially with regard to export shipments, was brought up at the meeting. Speakers pointed out that during the past season it has been difficult to have a Federal supervisor in the field to work with the various State inspectors who are not on a Federal basis. Wells A. Sherman of the Federal Bureau of Agricultural Economics expressed the opinion that a Federal supervisor could be placed in New England during the active apple shipping season, the cost to be borne by the States, amounting to a portion of the man's salary and travelling expenses. Mr. Sherman said that one-half of the inspection fee can be paid into the United States Treasury and credited to the cost of inspection supervision. He believed that \$1,000 would cover the total cost of Federal supervision to be borne by the respective States. Mr. Sherman was asked to submit a tentative form of agreement to the various New England States to provide a basis for cooperative supervision of shipping point inspection.

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MONTANA CATTLE INDUSTRY YIELDS  
ABOVE FOUR PER CENT ON INVESTMENT.

Montana's range cattle business with total investment running well over \$100,000,000 in 1929 earned nearly 4 1/2 per cent on the total investment, according to figures compiled from a study of 95 typical range outfits, Montana State College has announced. It was found that there was little variation in costs per head regardless of the location of the ranches. In mountain areas costs were \$17.40 per head, on foothill regions \$17.04 and on the prairie \$18.85. These costs include labor, manager's wages, all feed, salt, land leases, forest reserve feeds, taxes, depreciation on equipment and general ranch expense but did not take into consideration interest on investment. The higher cost of running cattle on prairie ranches is attributed to the farming operations carried on along with the livestock enterprises.

NEW CANNER LAW EXPECTED  
TO AID HOUSEWIVES.

"A housewife with a limited budget should be enabled, under the terms of the McNary-Mapes amendment to the food and drugs act, to buy a substandard product within the reach of her pocketbook which will carry the nutritive if not the esthetic value of standard canned foods - provided she reads intelligently the labeling required by the amendment to appear on the product," according to Dr. P. B. Dunbar, assistant chief of the Federal Food and Drug Administration.

The McNary-Mapes amendment, Dr. Dunbar explained, authorizes the Secretary of Agriculture to establish definite standards for canned food products - excluding only meat and meat-foods subject to the meat inspection act, and canned milk - and to promulgate a form of label designation for sub-standard foods coming within the jurisdiction of the amendment. He said that the amendment makes it very clear that its purpose is to let the consumer know what goods are below standard, "but it is our conception that a substandard product is wholesome and edible even if not so palatable or so attractive as a standard product."

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FEWER FARM BANKRUPTCIES  
REPORTED FOR FISCAL YEAR.

Farm bankruptcies during the fiscal year ended June 30, 1930, decreased ten per cent from the number reported for 1929, according to the Bureau of Agricultural Economics. Farm bankruptcies during the period numbered 4,464 compared with 4,939 for 1929 and 5,679 for 1928. Farmers having recourse to bankruptcy proceedings during the last fiscal year represent the smallest number for any year since 1922 when 3,235 cases were reported. The bureau points out that the concluding date of farmer bankruptcy cases usually has shown a considerable lag behind the date of the economic condition which gave rise to them. The full effect of the depression of 1921 was not registered in the form of farmer bankruptcies until 1925. The fact that the peak of farm income during post-war years occurred in 1925 is doubtless reflected in the reduced number of farmer bankruptcy cases concluded last year. Effects of the drought and price decline in the latter part of 1930, are, of course, not reflected in the 1930 figures.

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MARKET REPORTS USED  
IN SETTLING DAMAGE CLAIMS.

During the past twelve months, about 175 requests for certification of Federal market news reports were handled through the office of the Secretary of Agriculture. Of these requests, 133 stated the amount of the claims involved, with a total of \$118,621. The greatest number of requests for damage claims on any single commodity was for watermelons, - about 40 per cent of the whole number of claims. Grapes were second, with 20 per cent, and the remainder dealt with 25 different perishable products. An undetermined, but presumably large number of additional market reports are furnished by the branch offices of the Bureau of Agricultural Economics, for use in court cases.

DR. C. E. LADD APPOINTED ON  
ROOSEVELT CONSERVATION COMMISSION.

Dr. Carl E. Ladd, director of extension of the New York State College of Agriculture, has been granted a leave of absence for one year to become deputy commissioner of conservation to assist Commissioner Henry Morgenthau, Jr., recently appointed by Governor Franklin D. Roosevelt of New York State. Commissioner Morgenthau says that Dr. Ladd will be of particular assistance in working out a land utilization policy.

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BASE PRICE OF FLUID MILK  
FIXED FOR ST. LOUIS AREA.

A base price of \$2.15 per cwt. for fluid milk delivered at country points in the St. Louis territory will be paid during January, 1931, it has been announced following a conference of milk producers and buyers with the Consumers' Milk Commission.

First surplus milk - that used for condensing, sweet cream, etc. - will continue at the level of 92 score Chicago butter price plus 20 per cent for the fat content in 100 lbs. of milk. Second surplus milk, or that used for making butter, will bring only the 92 score butterfat price with no allowance for the skim.

The dealers in the St. Louis territory have lowered the retail price of milk to 12 cents per quart to promote greater consumption. Most of the principal milk dealers on the St. Louis market are buying their requirements from the Sanitary Milk Producers, dairymen's cooperative at St. Louis, composed of 8,000 members.

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CALIFORNIA REPORTS ON  
APPLE MARKETING STUDY.

A survey of apple marketing methods and consumer preferences has been completed by the Giannini Foundation of Agricultural Economics, and the results published in Bulletin 501 of the California College of Agriculture.

"Competition," the report says, "is offered by soft fruits during the Gravenstein season and by oranges and bananas during the entire apple season." Suggestions for increasing the demand for California apples include advertising, better packing, better sizing, better grading, use of new boxes, and proper timing of the sale of varieties. The report takes up variety preferences, grade preferences, pack and container preferences, color preferences, effect of sale of immature apples, storage operations and problems, market structure, quantity per sale, credit relations, charges and margins, growers' attitude toward marketing agencies, apple production and wholesale prices, and retail prices. Copies of the report may be obtained from the California College of Agriculture, Berkeley, Calif.

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AMERICAN APPLES in Poland have been ordered destroyed by Poland health authorities, according to a Warsaw despatch to the press of January 18. The Poland health authorities sometime ago prohibited the sale of apples from America, alleging that they had been sprayed with arsenic.

## FEDERAL vs. PRIVATE INSPECTION CERTIFICATES

By R. C. Butner  
Bureau of Agricultural Economics

On several occasions our attention has been called to produce inspection certificates issued by private inspection services, reporting shipments below grade which were certified as U. S. No. 1 at point of origin. A question has been raised regarding the standing of such certificates in handling complaints under the Perishable Agricultural Commodities Act, one shipper making the recommendation that private inspection agencies be prohibited from the certification of fruits and vegetables on the basis of U. S. grades.

There is no authority vested in the Department of Agriculture, under which private inspection agencies could be prohibited from certification of fruits and vegetables according to grades and standards recommended by the Department. On the other hand, the certification of grade by such agencies must be regarded merely as expressions of their private opinions. They would be so regarded in connection with the consideration of a complaint under the Perishable Agricultural Commodities Act. Statements on the certificates issued by these private inspection agencies would be considered merely as testimony and would affect in no conclusive way a certificate issued by an employee of the Department or by an inspector licensed by the Secretary of Agriculture.

When inquiry is made, licensees under the Perishable Agricultural Commodities Act should be informed that certificates issued by private inspection agencies are binding upon them only to the extent that they wish to be bound. In the case of attempted rejection, it would be well for shippers to insist upon official reinspection before approving allowances, unless they prefer to stand on the original inspection.

The rules and regulations of the Secretary of Agriculture for carrying out the provisions of the Perishable Agricultural Commodities Act state that "in any hearing under the Act, certificates of inspection issued in accord with the provisions of the Act shall be accepted as *prima facie* evidence."

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PRODUCE INSPECTION FEES  
ARE CHANGED UNDER NEW RULES.

New rules and regulations of the Secretary of Agriculture governing inspection of fruits, vegetables and other products, effective January 16, provide double in place of triple fees for appeal inspections, meaning \$8 instead of \$12 as theretofore when sustained, and no charge when reversed. The charge for peanuts, pecans and other nuts is \$5 for all lots not exceeding a carload. Different grades and varieties of peanuts constitute separate lots, making \$10 for car containing 1's and 2's or Spanish and runners, with provision that maximum fee for re-inspection of single car shall not exceed \$15. The latter provision applies to all produce.

Copies of the new rules and regulations may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

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PART-TIME FARMING IN MASSACHUSETTS is reported on approximately 60,000 farming enterprises that produce at least one-third of the agricultural output of the State.

## IN CONGRESS:

H. J. Res. 447, making an appropriation of \$45,000,000 for relief of farmers in drought and storm stricken areas has been approved by the President.

Bills Introduced

H. J. Res. 466, by Mr. Fulmer, authorizing an appropriation of \$10,000,000 to be expended by the American Red Cross for the purchase and distribution of cotton cloth \* \* \* among unemployed in drought-stricken areas.

Amendments have been offered to various bills for the purpose of providing for loans for the purchase of food.

H.R. 16160 - by Mr. Temple, authorizing an appropriation to defray the expenses of participation by the United States in the World's Grain Exhibition and Conference to be held in Canada in 1932.

H.R. 16118 - by Mr. Golder, to provide for loans to States for drought and unemployment relief.

H.J. Res. 468, by Senator Patman, authorizing loans, in certain emergency cases, for use in making payments on loans of Federal land

BRIEFS

INSPECTION of 6,057 carloads of fruits and vegetables at Louisiana shipping points during 1930, the largest number ever inspected in any year, is reported by Louisiana Extension Service.

FOREIGN DEMAND for American flue-cured tobacco is reported increasing, and for American fire-cured tobacco as decreasing, because Europeans are smoking more cigarettes and doing less chewing and pipe smoking.

ASPARAGUS ACREAGE in the United States increased from 30,500 acres in 1918 to 94,930 acres in 1928, according to Farmers' Bulletin 1646, "Asparagus Culture", just issued by the U. S. Department of Agriculture.

POULTRY FLOCKS on many Iowa farms are in poor condition to produce hatching eggs because they have received poor feed and poor care during the past season when egg and poultry prices have been low, according to Iowa State College.

FARMERS' EXPERIENCES and opinions as factors influencing their cotton-marketing methods have been surveyed by the Bureau of Agricultural Economics and the results published in Circular 144 just issued by the Department of Agriculture.

STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 28, 1931

Vol. 11, No. 4

### NATIONAL FARM OUTLOOK REPORT TO BE ISSUED FEBRUARY SECOND.

More than fifty leading agricultural economists, extension workers and commodity specialists from all parts of the United States are meeting at the Bureau of Agricultural Economics in Washington, this week, for the purpose of studying the immediate and long-time outlook for American agriculture. At the conclusion of the conferences, the Bureau of Agricultural Economics will issue, on February 2, a report on the national outlook for more than forty farm crops and classes of livestock.

The prominent place of agricultural economics in present-day agricultural education is shown by the dissemination of outlook material last year by the Federal bureau and by State agricultural colleges and extension services. Forty States prepared State or regional outlook reports following the issuance of the national outlook. Twenty-one States issued periodic outlook or agricultural situation bulletins last year, in addition to five regional outlook meetings held by the Bureau of Agricultural Economics. The total distribution of these publications exceeded a million copies, and approximately 250,000 copies of the national outlook report were sent out.

The States last year held over 4,000 outlook meetings with a total attendance of farmers and other agricultural interests probably exceeding 200,000 persons. There were more than 540 State outlook meetings held for the purpose of training county and community leaders in the dissemination of outlook material and the results of economic research, with a total attendance exceeding 16,000 persons.

Practically every State in the Union is represented at the national outlook conference this year. These States will issue State or regional outlook reports following the national conference, and will hold meetings with farmers in giving them the results of research upon which they may shape their 1931 production plans.

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### ISSUES LISTS OF COUNTIES IN SEED LOAN DISTRIBUTIONS.

Dr. C. W. Warburton, Secretary of the National Drought Relief Committee, has announced lists of most of the counties which will be served by the Farmers' Seed Loan Offices at St. Louis and at Washington. These lists may be obtained by writing the Office of Information, U. S. Department of Agriculture, Washington, D. C. The loans will be for the purchase of seed, fertilizer, feed for work stock, and/or fuel and oil for tractors used in crop production. The Secretary of Agriculture has authorized, Dr. Warburton also announces, the making of loans for the purchase of spraying and dusting material to protect crops, including orchard fruits, from insects and plant diseases. Amendments to the regulations governing the making of loans are being prepared to cover loans for these purposes.

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U. S. DEPT. OF AGRICULTURE LIBRARY  
WASH., MARYLAND, U. S. A.

AGRICULTURAL COMMISSIONERS  
PASS COTTON RESOLUTIONS.

The Southern Association of Commissioners of Agriculture, in special conference at Memphis, Tennessee, January 12-13, passed the following resolutions:

"Be it Resolved, that the Agricultural Conference, indorses the control of cotton acreage by the legislatures of the cotton producing States as a forward and constructive move in the interest of the entire South.

"Resolved Further, that said conference indorses diversification of crops and the North Carolina 'live at home' plan and the Georgia bankers' plan, as of far reaching importance in the reduction of cotton acreage, and the return of prosperity to the South."

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IOWA FARM INCOME TUMBLERS,  
SAYS STATE COLLEGE.

That the ten principal commodities produced by Iowa farmers brought them over 100 million dollars less income in 1930 than in 1929, is revealed in preliminary figures compiled by the Agricultural Economics Department of Iowa State College. The drop was from \$756,632,000 in 1929 to \$631,532,000 in 1930.

The ten commodities included in the gross income figures, which have just been compiled by John P. Himmel, economist at Iowa State, are hogs, cattle (including calves), sheep, corn, oats, wheat, barley, dairy products, eggs, and poultry. The greatest declines in gross revenue were from grain, although every one of the ten commodities showed a decline of not less than 10 per cent under the 1929 figures.

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NEW JERSEY CREATES  
EXTENSION ECONOMIST POSITION.

The position of extension economist in marketing has been created by the New Jersey Extension Service, and Guy Meal, associate economist, fruit and vegetable section, Federal Farm Board, has been appointed to fill the post. Dr. Meal is a graduate of Cornell University, and a holder of a degree of doctor of philosophy from that institution. He will assume his duties with the New Jersey Extension Service on February 1 of this year.

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LOUISIANA ANNOUNCES SERIES  
OF OUTLOOK MEETINGS.

"Armed with charted information prepared by the Federal Bureau of Agricultural Economics, and interpreted in terms of Louisiana conditions, agricultural extension workers are holding meetings throughout Louisiana to discuss the present cotton outlook and to assist in mapping out a safe farm program for 1931," the Louisiana Extension Division has announced.

IDAHO APPOINTED TWO MEN  
IN AGRICULTURAL ECONOMICS.

Appointment of two men in agricultural economics has been announced by Dean E. J. Iddings of the University of Idaho College of Agriculture. Ezra T. Benson, formerly county agent of Franklin County, is now agricultural economist in the extension division, and George T. Hudson, a graduate of the University of Missouri, recently accepted the position of assistant agricultural economist in the experiment station.

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TENNESSEE STUDIES COSTS  
OF CORN HARVESTING.

The cost of cutting, shocking and shredding 29 acres of corn on the University of Tennessee Junior College Farm at Martin, Tennessee, in 1930 was \$12.76 per acre. The study covers all costs including man, horse and tractor labor, depreciation on machinery, interest on investment, etc.

The cost of cutting the corn with a binder and tractor and shocking by man labor was \$3.86 per acre. The cost of shredding and putting it in the mow and the crib was \$8.81 per acre. The yield per acre was  $48\frac{3}{4}$  bushels corn and  $4\frac{1}{4}$  bushels soybeans.

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IOWA ANNOUNCES DATES  
FOR OUTLOOK MEETINGS.

The annual series of agricultural outlook conferences will be held this year in 36 Iowa towns from February 9 to 26, the Iowa Extension Service has announced. All available statistics on production and probable demand will be presented to farmers, county agents and others who attend the Iowa outlook meetings. The purpose of the conferences is to put before the farmers accurate information which will help them to plan their production program for 1931 and for following years.

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FARM WAGES LOWEST  
IN MANY YEARS.

A sharp increase in the supply of farm labor together with a further decline in the demand for farm workers forced the index of the general level of farm wages for January 1, 1931, to the lowest level on record for that date during the period it has been computed quarterly (1923-31). The wage index, at 129 per cent of the pre-war level on January 1, this year, was 21 points down from October 1, 1930; 29 points lower than a year ago, and 8 points below January 1, 1923, according to the Bureau of Agricultural Economics.

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NEW YORK STATE Agricultural Experiment Station has found that of the sealed packets of vegetable seeds offered for sale in New York State in 1929 and 1930, nearly one-half, or 46 per cent fell below "the very reasonable standards set for comparison."

WISCONSIN GROWERS TO HAVE  
TOBACCO GRADING SERVICE.

Tobacco grading service for the northern Wisconsin Tobacco Marketing Pool will be inaugurated in the immediate future under the terms of an agreement entered into between the Bureau of Agricultural Economics and the Wisconsin Department of Agriculture and Markets, and an agreement with the Wisconsin Pool.

Under the terms of this agreement, the Federal and State Departments of Agriculture will employ the graders and supervisors required to do the grading heretofore done by the Pool itself. By this arrangement, adherence to the Federal standard grades for northern Wisconsin tobacco is guaranteed and the interests of the Pool and of the buyers of the tobacco will be safeguarded impartially.

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TENNESSEE SEES PROFIT  
FOR LOW-PRICED PRODUCERS.

"Cotton growers must get high yields at low cost in order to profit," the University of Tennessee is telling producers in that state. "Cotton growers," according to the announcement, "who produce above average yields of quality cotton at low cost may expect fair returns for their labor and land this year but those who produce below average yields of low grades will receive low returns for their labor.

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MONTANA TO HOLD MEETING  
ON MARKETING PROBLEMS.

The world's agricultural resources, distribution, marketing, developments in competing areas and discussions of problems in Montana's agriculture by national and state authorities, feature the 17th Annual Farm and Home Week at Montana State College, February 2-7. Marketing problems will be discussed at open forum meetings. Livestock men will take part in the farm and range crop program.

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REAL WAGES HIGHER ON FARMS  
THAN IN MANY URBAN INDUSTRIES.

Real wages of American farm laborers are higher than are commonly quoted or believed, even when perquisites received by farm laborers are reckoned at farm values, according to Josiah C. Folsom of the Bureau of Agricultural Economics in a report of a survey of perquisites and wages of hired farm laborers.

"Real farm wages," Mr. Folsom declares, "equal or exceed the average full-time and actual earnings of common laborers in some representative industries. If in reckoning their value, the farm perquisites were to be given city values, the comparative showing of real farm wages would be decidedly better."

The report of the survey is contained in Technical Bulletin 213-T, "Perquisites and Wages of Hired Farm Laborers", just issued by the U. S. Department of Agriculture.

EDUCATION SEEN AS BASIS  
FOR DEVELOPING COOPERATIVES.

Continued growth of the cotton cooperative marketing system in the South is dependent primarily upon the expansion of the rural school system and upon adult education, in the opinion of T. B. Manny of the Bureau of Agricultural Economics, reporting the results of a survey of factors that influence marketing methods.

The survey revealed that of 1,081 farmers interviewed in North Carolina and Alabama, more than fifty per cent of the farmers who have never joined the cotton cooperatives have received less than a common or country school education, whereas among present members less than one-third have had such limited schooling. High school and college graduates, especially the latter, were found more frequently to be members of cotton cooperatives.

The detailed report is contained in Circular 144-C, "Farmers Experiences and Opinions as Factors Influencing Their Cotton Marketing Methods," just issued by the U. S. Department of Agriculture.

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SATIN MOTH QUARANTINE  
AREA IS ENLARGED.

The Secretary of Agriculture has announced an amendment to the satin moth quarantine regulations increasing the regulated area by more than 9,000 square miles. The largest part of the increase is in eastern Maine, in which State 177 towns or similar geographical units, with a total area of approximately 6,713 square miles, are added to the area under regulation.

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CORN-BORER DISTRIBUTION  
REPORTED LESS IN 1930.

Last summer's record-breaking drought proved exceptionally unfavorable to the European corn borer, and there was an actual decline in numbers of the pest in some of the important regions to which it has spread in recent years, according to Lee A. Strong of the U. S. Department of Agriculture.

Mr. Strong says there was an average reduction of approximately 25 per cent in the number of borers found in representative sample plots throughout the areas surveyed in New York, Pennsylvania, Ohio, Indiana, and Michigan.

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TEXAS STUDIES DECREASE  
IN COTTON STAPLE LENGTHS.

The decline in the length of staple of the upland crop in Texas is attributed by the Texas Experiment Station to the planting of shorter staple varieties rather than to any decline in soil fertility. Mebane cotton grown for ten years without irrigation at all substations produced inch staple while Half and Half produced 3/4 inch staple.

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MANY ILLINOIS FARMERS have added from \$600 to \$2,000 a year to their earnings through keeping and studying careful farm accounts, according to the University of Illinois.

IN CONGRESS:

The Agricultural Appropriation bill passed the Senate on January 23. It will now go to the Conference Committee of the two Houses. The only change made on the floor of the Senate to the items for this Bureau was the addition of \$20,000 for extending the livestock news service to Casper, Wyoming.

The Deficiency bill has also passed both houses and will be sent to Conference.

Hearings will be held by the House Agricultural Committee on Agricultural Bills on Monday, January 26. The Fulmer resolution providing for classification of cotton will be considered.

S. Res. 374 - by Senator McNary providing for the investigation of food prices has been agreed to.

S. 5440 to authorize an emergency appropriation for special study of and demonstration work on rural sanitation has been reported out of committee.

Bills Introduced

H.R. 16470 - by Mr. Christopherson, to prohibit the use of public funds for the purchase of oleomargarine. A similar bill H.R. 16338 was introduced by Mr. Reilly.

H.R. 16468 - by Mr. Burtress to place an embargo on certain agricultural products.

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PUBLICATIONSBureau of Agricultural Economics Mimeographs:

"Historical Background of the Present Situation in Southern Agriculture," by Everett E. Edwards.

"Marketing Southern Alabama Potatoes, 1930 Season," by H. F. Willson.

"Marketing Florida Potatoes, 1930 Season," by R. L. Sutton.

"The Effect of the Business Depression on Agriculture," by Dr. O. C. Stine.

"Factors Affecting the Acreage of Flue-Cured Tobacco," by J. B. Hutson.

"Relation Between Production, Prices, and Acreage of Potatoes in North Carolina," by L. H. Bean.

"Estimated Numbers of Apple Trees by Varieties and Ages in Commercial and Farm Orchards in Illinois. January 1, 1928."

"The Price Situation," radio talk by Dr. O. C. Stine, January 15.

"January Cattle Markets," radio talk by C. V. Whalin, January 13.

"The Feed Situation," radio talk by F. J. Hosking, January 5.

"Quality of Cotton Ginned up to 1931," radio talk by W. B. Lanham, Jan. 2.

"Grading and Packing Citrus Fruits," radio talk by B. C. Boree, Jan. 8.

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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Vol. 11, No. 5

### AGRICULTURAL OUTLOOK IS FOR INCREASED CONSUMER DEMAND.

There is some prospect for a gradual recovery in the domestic demand for farm products in the latter half of this year, and for lower production costs, according to the annual outlook report issued by the Bureau of Agricultural Economics. Except in the case of wheat and pork products, some recovery in foreign demand also seems likely, says the bureau.

This prospect of improvement is based on the belief that the worldwide economic depression will have run the worst of its course by the summer of 1931 as consumption of many industrial products is now outrunning production. Prospects also will be affected by the volume of agricultural production in 1931. Although production credit may be curtailed, ample marketing credit is expected. Farm wages are the lowest in many seasons, and building materials and fertilizer prices are lower than they were a year ago.

#### Low Wheat Prices.

The report states that "wheat growers are faced with rather discouraging market prospects; that unless yields throughout the world should be materially below average, prices are likely to continue to be low. World production has been increasing faster than consumption for some years and burdensome stocks have been piling up so that the world carryover on July 1 next will again be abnormally large.

"Some increase is expected in the commercial consumption of corn in the United States, but foreign demand is not expected to be large unless the production of feed crops in Europe is less than average and the Argentine surplus is small. Prices in the 1931-32 season are expected to average somewhat lower than in the current season, but some improvement in cash corn prices is looked for before the 1931 crop is available. There will be a tendency to increase corn acreage in the Corn Belt to replace reduced stocks.

"There will be a decreased market demand for oats, and livestock producers in the spring wheat area are advised to cut sufficient oats for hay to insure ample forage for feeding requirements, in view of prospective small hay supplies next season. There is indication of less strength in the market demand for barley. Prospect of a slight reduction in hog production this year is regarded as a favorable factor in the long-time outlook for the hog industry.

#### Cattle Prices to Improve.

"Cattle prices the first half of 1931 are expected to average considerably below those of the first half of 1930, but it is believed that prices of most classes and grades will improve during the second half of the year. The livestock industries will have the advantage of relatively cheap feed grain.

"Sheep producers are faced with the problem of reducing breeding stock numbers and disposing of a larger proportion of their annual lamb

production through slaughter channels, in order to improve the economic position of the industry. World wool production continues near record levels, and present world stocks are large.

"The dairy industry has been expanded to the point where even with the expected improvement in the business situation the bureau believes that the former favorable relations of prices of dairy products to the prices of other farm products will not be restored this year. Domestic prices of dairy products have declined nearly to the world level, and foreign markets do not afford an advantageous outlet for American dairy products.

"Some improvement in the price trend of eggs may be expected during the last half of 1931; poultry prices for the first half of 1931 are expected to be somewhat above those of the same period a year ago."

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LAND CLASSIFICATION URGED  
AS MEANS TO IMPROVE AGRICULTURE.

Land classification as the basis of an intelligent and comprehensive land policy to improve the present condition of agriculture and to safeguard the Nation's soil fertility was advocated by Dr. Henry G. Knight of the U. S. Department of Agriculture at the meeting of the Association of Southern Agricultural Workers in Atlanta, Georgia, February 5.

Dr. Knight said that "sufficient information is now at hand in the published reports of the soil surveys to make land classification of this kind possible for most of the Southern States. This might well be the work of the State agricultural colleges and experiment stations in cooperation with the Bureau of Chemistry and Soils."

Dr. Knight declared that "of the 500,000,000 acres listed as agricultural land in the United States, approximately 100,000,000 acres are of marginal and submarginal lands which damage the entire agricultural structure by creating crop surpluses in good seasons and cause such hardships and distress in times of drought as at present require our widespread measures of relief."

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CONNECTICUT LEGISLATURE TO  
CONSIDER VOLUNTARY APPLE GRADES.

Establishment of voluntary grades for apples through amendment and revision of the present apple law which was placed on the Connecticut statutes in 1919 is sought in a bill submitted to the Connecticut legislature, January 30. The new bill incorporates the United States apple grades and makes the Commissioner of Agriculture responsible for establishing such additional grades for closed packages of apples as are necessary. The grading will be voluntary instead of compulsory as at present.

S. McLean Buckingham, State Commissioner of Agriculture, says that the proposed legislation provides an apple grading program for Connecticut which makes it possible for the grower who desires to establish a reputation for his apples to do so without forcing the grading program on those who do not wish to use it. Under the old law, grades were established by statute, whereas the new bill provides that the grades shall be set by the Commissioner of Agriculture. Commissioner Buckingham says that his department has found from experience in enforcing the laws that voluntary grades in Connecticut are accomplishing greater results than compulsory grades and materially simplify inspection.

WASHINGTON STATE REPORTS  
PROGRESS OF ECONOMIC RESEARCH.

Economic research is being conducted by the Washington Agricultural Experiment Station in the development of profitable farm set-ups for types of non-orchard areas of the Yakima valley; the handling and storing of grain; the relation of tractors to farm organization in the grain farming area of eastern Washington; fruit storage in Washington; the price of Washington apples; cooperative marketing; trade practices in marketing Washington apples; the set-up of successful fruit packing plants, and the financing of cooperative organizations.

In its study of non-orchard areas, the Station is endeavoring to determine the enterprises and the types of farming that are best adapted to the physical and the market conditions and market outlets in the Yakima valley, and to secure information for developing farm plans which are likely to give best results under the conditions prevailing in the area and for adjusting these plans to meet changed price relationships. Complete farm records were secured in the summer of 1930 from over 100 of the more successful farmers, widely scattered over the area. Records for another year will be secured in the summer of 1931 and enterprise records will be obtained from 25 or more farmers for each of the more important crops.

Details regarding the various economic projects may be obtained by writing George Severance in charge of the Division of Farm Management and Agricultural Economics, Pullman, Washington.

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MANY VIOLATIONS OF COMMISSION  
MERCHANTS' LICENSING LAW CITED.

Up to January 30 the Bureau of Agricultural Economics had received 610 complaints of violations of the Perishable Agricultural Commodities Act which requires the licensing of produce commission merchants and others. Nearly 300 of these cases have been closed, amicable settlements having been effected in 102 cases. Of the remaining cases, formal complaints have been served on 155 alleged offenders and approximately 60 cases are awaiting formal hearing.

Up to January 21, about 11,820 licenses had been issued, under the law, to commission merchants, brokers, and dealers in different parts of the country, who handle fresh fruits or fresh vegetables in interstate commerce. Many applications have been received from growers, who are not required to be licensed if they sell only the produce of their own raising.

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NEW MEXICO TO ADVERTISE  
PINTO BEANS, SAYS COLLEGE.

Business men of the Estancia Valley are planning an extensive advertising campaign for the New Mexico pinto bean, according to G. R. Quesenberry of the New Mexico Agricultural College. Ten thousand one-pound bags of beans with folders and recipes giving information on cooking pinto beans will be distributed. A large part of the advertising will be conducted outside the pinto bean area.

GRADED EGG BUYING  
INCREASING IN IOWA.

Iowa now has 359 dealers and shippers in 89 counties buying eggs on a graded basis as compared to 91 such outlets in 18 counties four years ago, according to W. D. Termohlen, extension specialist in poultry and egg marketing at Iowa State College.

Mr. Termohlen says that farmers selling on a graded basis receive an average of almost three cents a dozen more for their eggs over a year's period than farmers selling the old way. These farmers also have developed better production in the fall and winter when egg prices usually are highest and when there is more difference between prices for premium eggs and the price paid by the average dealer.

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DECREASE IN LIVESTOCK VALUES  
REFLECTS PRICE DECLINE.

The decrease of one and one-half billions of dollars in livestock values during the past year reflects the severity of the general decline in prices of farm products, says the Bureau of Agricultural Economics in its February 1 report on the agricultural situation.

Although the total number of animal units on January 1 this year was approximately the same as on January 1 last year, the total value of livestock this January is estimated at \$4,366,447,000 compared with \$5,887,964,000 on January 1 a year ago. Increases in the number of cattle dairy cows, and sheep on January 1 were offset by decreases in hogs, horses, and mules. The increase in cattle, says the bureau, "is part of the upward trend in production which has been under way since 1928, and which will probably continue for several years. Dairy cattle production is apparently at the point of turning downward. The prospect of not more than a very slight decline in hog production during 1931 is regarded as a probable stabilizing and favorable factor in the long-time outlook for the hog industry."

IOWA STUDIES PRODUCTION  
FIGURES ON HOGS.

Analysis of the hog enterprise on the 39 Webster County (Iowa) farms upon which detailed records have been kept, indicates that an 11 per cent increase in the price of hogs in 1929 as compared with 1928 resulted in a 24 per cent increase in the production of pork, says the Iowa Agricultural Experiment Station. This increase was the result of 18 per cent more litters, 7 per cent more pigs raised per litter, and 5 per cent increased weight per hog when sold. The distribution of prices throughout the year encouraged rapid production of hogs.

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MISS ISADORA WILLIAMS has been appointed assistant extension economist in marketing, by the University of Tennessee Agricultural Extension Service. Miss Williams, for two years past, has been home demonstration agent in Henderson County, Kentucky. In her new position, Miss Williams will create wider interest among rural women in cooperative marketing.

ILLINOIS ASCERTAINS FEED  
COSTS IN EGG PRODUCTION.

Feed makes up 60 per cent of the total cost of producing eggs, according to H. H. Alp, poultry extension specialist of the Illinois College of Agriculture. Flock owners are being urged to take advantage of cheap mill feeds and grains and thereby reduce feed cost to a minimum. Mr. Alp says that a satisfactory home-mixed mash for hens or pullets can be made for a cost of about \$1.65 a hundredweight on the basis of January prices. It includes 195 pounds of ground yellow corn, 100 pounds of ground wheat, 100 pounds of ground oats, 100 pounds of meat scrap, and 5 pounds of common salt.

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FARM PRICE INDEX  
SHOWS FURTHER DECLINE.

The index of the general level of prices paid to producers for farm products decline 3 points from December 15, 1930, to January 15, 1931. At 94 per cent of the pre-war level the index on January 15 was 40 points lower than a year ago, and at the lowest level since January, 1912, according to the Bureau of Agricultural Economics. Small advances in farm prices of potatoes, apples, cattle, calves, sheep, lambs, horses, and chickens failed to offset sharp declines in prices of dairy and poultry products and the continued slump in prices of grains and cotton from December 15 to January 15.

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STRAWBERRY DISEASES IN  
TRANSIT ARE COSTLY.

The various rots which affect strawberries in the field, such as graymold, tan, leather, and hard rots, also affect berries in transit, where they are more costly, the U. S. Department of Agriculture has learned. Careful computation based on shipments from the Southern States for a seven-year period shows that the loss in transit by "leak" alone is almost 25 per cent more than all other rots combined. Farmers' Bulletin 1458-F describes control methods which are of proved value.

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EUROPEAN CORN BORER  
REGULATED AREA EXTENDED.

Important changes in the boundaries of the areas regulated under the European corn borer quarantine regulations have been announced by the U. S. Department of Agriculture. The two-generation regulated area has been extended to include New York City, Nassau, Suffolk, Putman and Westchester Counties, and parts of Dutchess County in New York State, as well as parts of Hudson County, New Jersey, and considerable areas in Fairfield, Hartford, New Haven, and Tolland Counties in Connecticut. Parts of Franklin, Hampden and Hampshire Counties in Massachusetts, and several towns in Androscoggin, Kennebeck, Penobscot, Waldo, Washington, and Hancock Counties in Maine are also added to the regulated area.

IN CONGRESS:

H.JRes.329 - by Mr. Fulmer, to authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States cotton standards act, and for the dissemination of market news information, has been reported out of the House Committee with amendment.

H.R.10345 - by Mr. Lankford, to provide for the collection and publication of statistics of peanuts, has been reported out of the House Committee with amendment.

S.J.Res.195 - by Senator Sheppard, authorizing investigation of certain operations on cotton exchanges, has been reported out of the House committee without amendments.

S. 5441 - by Senator Robinson, to assist in the organization of agricultural credit corporations, has been reported out of the Senate Committee with amendment.

S.J.Res.210 - by Senator Capper, authorizing the distribution of 20,000,000 bushels of surglus wheat for relief purposes, has been passed by the Senate.

An amendment to the Appropriation Act for the Department of the Interior providing \$25,000,000 for food loans, has passed the Senate but failed to pass the House. The matter is now in conference.

Bills Introduced

H.R.16745 - by Mr. Goldsborough, to amend the perishable agricultural commodities act, 1930, so as to suppress unfair and fraudulent practices in the marketing of floricultural products in interstate and foreign commerce.

H.R.16743 - by Mr. Cross, for the prevention and removal of obstructions' and burdens upon interstate commerce in agricultural commodities by regulating transactions on commodity exchanges, putting a stop to short selling thereon and for other purposes.

H.R.16708 - by Mr. Whittington, to assist in the organization of Agricultural Credit Corporations.

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REGULATIONS for warehousemen storing seeds under the United States Warehouse Act have been issued by the U. S. Department of Agriculture.

"MARKETING THE COMMERCIAL CROP OF EARLY POTATOES" has been issued as Circular 149 by the U. S. Department of Agriculture.

"ANALYSIS OF THE OPERATIONS OF A COOPERATIVE LIVESTOCK CONCENTRATION POINT," has been issued as Circular 142 by the U. S. Department of Agriculture.

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STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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February 11, 1931

Vol. 11, No. 6

### ILLINOIS ADVISES EARLY MARKETING OF LAMBS.

If the 1931 lamb market is anything like the one of 1930 and those of many previous years, farmers can pocket a neat premium by getting early lambs ready for sale before July 1, according to W. G. Kammlade of the Illinois College of Agriculture. Last year, Mr. Kammlade says, early lambs sold before July 1 brought a good premium over late lambs sold during the latter half of the year. Problems of summer management and many risks also were lessened through the production of early lambs, he says, adding that "lambs weighing around 75 pounds generally are preferred.

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### LOUISIANA TO HOLD COTTON GRADING SCHOOL.

Louisiana College of Agriculture will hold its third annual Cotton Grading School June 1 to June 27 this year. George Godelfer, chief classer of the Louisiana Cotton Cooperative Association, has been asked to be in charge of the school. The course will include the grading and stapling of cotton and such other topics that have to do with the sale of cotton. It is expected to be attended by Louisiana farmers, buyers of cotton for gins, merchants and street buyers.

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### NEW YORK SAYS FARMERS MUST CUT COSTS.

Profitable farming in the next few years will result from improved production methods as much as from improved methods of sale, according to Dean A. R. Mann of the New York State College of Agriculture.

"Fifteen years ago," he says, "major emphasis of colleges and experiment stations was on production. Today the economic and business phases, in public discussions, overshadow considerations of improvements in production as completely as the economics of agriculture was overshadowed fifteen years ago. One of the chief tasks confronting farmers is to lower costs. Collective buying offers one means but improved farm management methods must enter strongly. Full recognition of the need of special attention to production methods, however, does not suggest any weakening of efforts to strengthen economic organization or the progress of economic research."

U. S. Dept. of Agriculture Library,  
Attn., Miss Trolinger,  
4 K Washington, D. C.

HONEY PRODUCERS FIND  
PROFIT IN DIRECT MARKETING.

Many producers of honey are overcoming the reduction in wholesale prices of honey by selling their product direct to consumers or retailers, according to Harold J. Clay of the Bureau of Agricultural Economics.

Honey, he says, is being offered in attractive containers to grocers and other retailers in local areas. Some beekeepers have developed good markets by house-to-house canvassing or farm-to-farm selling. Some beekeepers have arranged with dairymen to handle honey to be delivered with milk, cream, butter, and eggs in the morning. Other beekeepers are running advertisements in local newspapers and are developing a parcel post business. Direct mail selling is being developed also by circularizing people whose names appear in telephone directories. Roadside honey stands are also increasing in number.

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ARKANSAS HOLDS COOPERATIVE  
MARKETING SCHOOL.

The fourth annual Cooperative Marketing School of the Arkansas College of Agriculture was held in Little Rock, Arkansas, January 20 to 23. This was in cooperation with the Division of Cooperative Marketing of the Federal Farm Board and the cooperative associations of Arkansas. Subjects covered in the school included a review of cooperative marketing in Arkansas and the United States; specific problems in the marketing of rice, fruits, and vegetables; credit facilities for production and marketing in 1931; marketing problems of livestock, dairy and poultry products. The Arkansas Cooperative Council was reorganized with C. G. Henry, manager of the Mid-South Cotton Growers Association, as president.

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BOVINE T.B. CAMPAIGN  
MAKES RAPID PROGRESS.

Since initiating the cooperative campaign to eradicate bovine tuberculosis in 1917, State and Federal agencies have located and slaughtered more than two-thirds of all the infected cattle in the country, according to Dr. Elmer Lash of the Federal Bureau of Animal Industry.

"During this period," Dr. Lash says, "veterinarians engaged in this work have tested and retested more than 75,000,000 cattle. Of these animals, they found approximately 2,000,000 cattle infected with the disease, and all of these have been slaughtered. The consistent efforts of Federal, State and county veterinarians have reduced the infection of cattle from 4 per cent in 1922 to 1.7 per cent on January 1, 1931. Today there are less than 1,000,000 tuberculous cattle in the United States."

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COMPLETE LINES OF CANNED FRUITS AND VEGETABLES are to be added to the products handled by Swift & Company, that organization has announced, as a result of the recent modification of the packers' consent decree.

NEW ORLEANS DRAWS PRODUCE  
FROM WIDE AREA.

Forty out of the 48 States furnished carloads of fruits and vegetables to the New Orleans market during the past year, according to unload reports of the Bureau of Agricultural Economics. In addition there were imports from several foreign countries. Total unloads reported amounted to 6,548 cars. In 1929 the total was 5,883 cars, and in 1928, the total was 6,298 cars. While most of the receipts are by rail, a large quantity comes in by boat. Potatoes led with total receipts of 1,082 cars. California furnished the largest volume of all receipts.

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MARYLAND REPORTS INCREASING  
USE OF INSPECTION SERVICE.

The 1930 season was the seventh year in which Federal-State shipping point inspection has been used by an increasing number of Maryland growers and shippers, says the Maryland Department of Markets. Seven commodities were inspected for seventy-two applicants, this being an increase of 8.7 per cent in number of individual requests for the service. Inspections included 2,007 cars of strawberries, and 672 cars of apples. It is estimated that at least 60 per cent of the total movement of apples during August, September, October and November, went out under Federal-State shipping point inspection, compared with 30 per cent in 1929. The Maryland department says that the increase in apple inspections was due partly to the fact of threatened embargo by the British Government against the shipment of apples which did not meet U.S. grade requirements.

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LOUISIANA IS URGING  
SHEEP EXPANSION IN STATE.

The outlook report points out the possibility of increasing the farm flocks of sheep in Louisiana, says the Louisiana Extension Service. Cut-over pine lands can be profitably used for sheep production, according to the announcement, and "some sections of the State are finding this a good method to utilize some of the present waste lands. There is little doubt that a well-maintained farm flock would be a good thing for most farmers, especially in the sections where grazing lands are available."

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SOUTH TO BENEFIT FROM  
FERTILIZER MAKING METHODS.

The Southern States may be expected to reap important benefits from the new processes of fertilizer manufacture which are being fostered by the U. S. Department of Agriculture, according to Dr. Henry G. Knight of the Bureau of Chemistry and Soils. Doctor Knight says that recent investigations in the Department of Agriculture indicate that the almost unlimited deposits of phosphate rock in the Southern States can be made more economically available for phosphate fertilizers by use of the blast furnace. He says that experiments have demonstrated that phosphate rock and potassium-bearing silicates can be smelted together and combined to form potassium phosphate.

MINNESOTA TELLS FARMERS  
HOW TO ORGANIZE FOR PROFIT.

The results of a survey of systems of farming in northwestern Minnesota, in which an effort is made to guide farmers in that area in organizing their farms for greatest profit, have been announced by the Minnesota Agricultural Experiment Station in Bulletin 268 on that subject. The bulletin describes typical organizations of farms of different sizes in six representative localities. Each locality included three or four townships, all together about 1,100 farms being studied. The Bureau of Agricultural Economics cooperated in making the survey.

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HIGH-QUALITY FRUIT IS  
DEMANDED BY MARKETS.

Due to increased production of fruit, the markets are demanding a product of especially high quality from the standpoint of color, size and freedom from blemish, according to Dr. E. C. Auchter, horticulturist of the U. S. Department of Agriculture.

Dr. Auchter says that "not only is it necessary to produce a high-quality product, but it is also necessary to produce higher yields per acre in order that the cost of production per bushel will be less and the net returns greater. This means that all orchard operations must be given very careful thought and those practices found to be the most satisfactory by the experiment stations and government must be used by growers."

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INDIANA LIVESTOCK SHIPPING  
ASSOCIATION IS STUDIED.

The story of how a group of livestock growers in the vicinity of Washington, Indiana, won success within ten years through the organization of a shipping association, is told in a publication entitled "Analysis of the Operations of a Cooperative Livestock Concentration Point," just issued by the U. S. Department of Agriculture.

Seventy-four patrons, interviewed during the survey, cited one or more advantages in using the association; 60 believed that patrons received a better net return for their livestock; 20 said that the association got satisfactory prices; 19 said that the association was influential in obtaining excellent local shipping facilities; 22 pointed out the value of a regular outlet for all livestock; 8 thought that the association offered a much better market outlet than they had had before. The publication is Circular 142.

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EARLY POTATO MARKETING  
DEAL IS DESCRIBED.

A picture of activity and competition among the potato growers of Florida, Texas, Kansas, Virginia, North Carolina, New Jersey, and 17 other States, to harvest and market the commercial crop of early potatoes, is drawn by J. W. Park of the Bureau of Agricultural Economics, in Circular 149, just issued by the U. S. Department of Agriculture. The publication includes descriptions of practices and conditions in certain important early potato producing areas and in representative markets.

## NEW YORK STATE COMMISSION MERCHANTS LAW

By H. Deane Phillips,  
New York Department of Agriculture.

The New York State commission merchants law covers only the sale of farm produce on a commission basis. A commission merchant is one who acts merely as a custodian of the produce after it reaches the market. This produce is still the property of the shipper and the commission merchant is supposed to find a buyer, meanwhile giving the produce such care as it needs after arrival and before it is sold. The commission merchant can agree on a price without consulting the shipper. After the sale is made he pays himself by deducting a certain percentage of the amount received, plus costs which he has incurred, and then remits the balance to the shipper.

No one but dealers who operate on this basis are compelled by law to obtain a license and furnish a bond.

Many persons are confused because any dealer on the big city markets is commonly called a commission merchant. Most of the dealers in the markets now-a-days are not commission merchants in the sense used in this law. Some of them are brokers who merely negotiate sales between some shipper and some buyer on the market. These brokers are usually paid a flat brokerage fee and they never actually come into possession of the goods for which they have arranged a sale. A still larger number of dealers are neither brokers nor commission merchants, in the legal sense. Instead, they buy produce outright either f.o.b. the point of origin or upon delivery at the market. They are not commission merchants because they pay outright and become owners of the produce at some agreed price.

A licensed commission merchant must file a bond for three thousand dollars. If he fails in business and owes shippers for consigned produce, the bond is used to pay these obligations. The shipper does not have to wait for bankruptcy proceedings to get his money. The law gives the commissioner of agriculture wide powers in the way of revoking licenses, investigating complaints and adjusting disputes over consigned produce.

New York State farmers should get the list of licensees from the Department of Agriculture and Markets at Albany, make shipments to none but licensed dealers, and mark shipments "to be sold on commission." They should write or telegraph the dealer that the shipment has been made, indicating the kind of produce, the quantity, time of shipment, route, and the probable time of arrival. They should keep a record of shipments, copies of letters, all shipping receipts, and statements received from the commission merchant regarding each shipment.

New York farmers should ship only good produce well sacked, wrapped, boxed or crated and see that it is marked plainly with the merchant's name and the shipper's name. They should avoid shipping goods that may arrive on Saturdays, holidays, and Sundays.

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FOUR "WILTSHIRE SIDES" from hogs, grown and slaughtered in the United States and shipped to the English market, have come back to the United States to serve as a basis for studies designed to help American hog growers compete on even terms with European and Canadian producers who now enjoy a preference on the English market, the U. S. Department of Agriculture has announced.

IN CONGRESS:

The First Deficiency Bill (H.R. 15592) which covers an item of \$33,980 for the Administration of the U.S. Warehouse Act has been signed by the President.

S. 5441, by Senator Robinson, to assist in the organization of agricultural credit corporations has been reported out of the Senate Committee with amendments.

H.R. 16470 by Mr. Christopherson, to prohibit the use of public funds for the purchase of oleomargarine has been reported out of the House Committee with amendments.

Bills Introduced

H.R. 16800 by Mr. Sinclair, to liquidate and refinance agricultural indebtedness \* \* \*.

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PUBLICATIONSB.A.E. Mimeographs:

"Cleaning Seed Grain," by R.H. Black and E.G. Boerner, Grain Division.  
"Marketing Lower Rio Grande Valley Texas Cabbage Crop, 1929-30 Season," by W.D. Googe.  
"Marketing Texas Bermuda Onions, 1930 Season," by J.B. Owens and C.D. Schoolcraft.  
"Farm Population Associated with Size of Farms; with Value of Farm Land and Buildings; with Mortgaged Owner-Operated Farms, and with Location of Farms on Kind of Roads," based on 1925 Census of Agriculture, by Dr. C.J. Galpin.

State Publications:

"Production Requirements, Costs and Returns from Dry-Land Farming in Eastern New Mexico," Bulletin 187 by New Mexico College of Agriculture, State College, N.M.

"A Five-Year Economic Study of 125 Farms in Curry and Roosevelt Counties, New Mexico," Bulletin 186 by New Mexico College of Agriculture, State College, N.M.

"The Rural Tax Situation in Choctaw County, Mississippi, 1928," Bulletin 282 by Mississippi Agricultural Experiment Station.

"The Population of Iowa, Its Composition and Changes," Bulletin 275 by Iowa State College of Agriculture and Mechanic Arts, Ames, Ia.

"Climate as it Affects Crops and Ranges in New Mexico," Bulletin 182, by New Mexico College of Agriculture, State College, N.M.

"Sheep Production in California," Circular 49 by California College of Agriculture, Berkeley, Calif.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

U. S. Department of Agriculture

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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SOUTH CAROLINA STUDYING TRUCK CROP COSTS IN STATE.

Research is being conducted by the South Carolina Agricultural Experiment Station with regard to farm management, marketing, and prices in connection with the newer truck crop areas in the State. The object of these studies, according to W. C. Jensen and C. Gunnells of Clemson Agricultural College, is to find out the economic place of different crops in the farming systems and how to produce and sell in the most efficient manner, so that the greatest possible net returns may be realized by growers.

Of 120 farms studied, in 1929 and 1930, two farms made operator's earnings of \$10,000 or more, five made from \$5,000 to \$10,000 and 49 made from \$1,000 to \$5,000. Fifty-three per cent made \$1,000 or less. The average operator's earnings per farm was \$1,283 in the Williston area and \$1,822 in the Bamberg area in 1929; the Fairfax farmers, whose records are for 1930, averaged only \$286 by reason of low prices received for products sold.

The high-profit farms, the investigators have learned, produce at costs far below the average. Farm number 20 produced asparagus at \$1.24 per crate as compared with \$1.74, the average cost on all farms; the yield on this farm was 120 crates per acre, or more than twice the average yield. Similar results are disclosed for beans, potatoes, watermelons, and other crops of the area. The survey indicates that high yields through close management of the details of all crop operations, particularly planting, fertilizing, and cultivating, generally result in relatively low costs.

A preliminary report of the survey has been issued by Clemson Agricultural College under the title "Newer Truck Crop Area Studies." It is Circular 45.

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COPIES OF COMMISSION MERCHANTS LICENSES AVAILABLE.

Copies of licenses issued under the Perishable Agricultural Commodities Act of 1930 may be obtained, upon request, and upon payment of a fee of \$1 for each copy, from the United States Department of Agriculture, according to an amendment to rules and regulations for carrying out the provisions of the Act. It is also provided that "any person desiring to file a claim for damages under the provisions of sections 5 and 6 (a) of the act may file a complaint with the chief of bureau (Bureau of Agricultural Economics) at any time within nine months after the cause of action accrues."

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Attn., Miss Trolinger,  
Washington, D. C.

U. S. Dept. of Agriculture Library

IDAHO REPORTS PROGRESS  
IN MARKETING LAMBS.

Notable progress in marketing lambs and effective methods of handling farm flocks in Idaho have been made through the cooperation of the University of Idaho extension division, county agents, club leaders, and farm flock associations, the University has announced.

County agents, working jointly with the farm flock associations, have formed marketing pools in various sections of the State. A committee sorts the lambs as they are ready for market, cars are filled and the lambs are marketed in the name of the county association. Returns are distributed among the various producers according to the number of pounds contributed to the shipment. This method is said to enable the farmer to sell in car-load lots to the eastern markets.

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WASHINGTON IS CONSIDERING  
NEW WAREHOUSE LAW.

The legislature of the State of Washington is considering a new warehouse law whereby the bonds required from warehouses may be as high as \$50,000, according to Seymour Jones, State Market Agent, Oregon.

The proposed law provides also that a certificate of necessity and convenience must be shown before construction of an elevator or warehouse is permitted. The object of this provision is to prevent overbuilding in districts which already have sufficient warehouse facilities.

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MONTANA DISCOURAGING  
POTATO ACREAGE SHIFTS.

Montana potato growers are being told by the Montana Extension Service that "greatest profits in potato production come when prices remain at a reasonable figure over a period of years, and the producers can assist in bringing about such a condition by being consistent in the amount of acreage they grow annually."

Many growers, under the present scheme of production, according to F. M. Harrington, extension horticulturist, let the price one year determine their acreage the next year, with the result that a year of high prices is usually followed by a year with high production and correspondingly low prices. Mr. Harrington is advising growers to plant a normal acreage year after year.

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MORE COTTONSEED MEAL  
USED AS FERTILIZER.

Farmers and fertilizer manufacturers used approximately 215,000 short tons of cottonseed meal as fertilizer in the year ended July 31, 1930, or about 9 per cent of the total meal produced from the 1929 cottonseed crop, according to the Bureau of Agricultural Economics. This compares with approximately 183,000 short tons, or about 8 per cent of the meal produced from the 1928 crop of cottonseed.

ILLINOIS LIVESTOCK GROWERS  
FORM STATE CO-OPERATIVE.

Livestock grower delegates from 35 Illinois Counties, meeting in Chicago, February 11, voted unanimously to organize the Illinois Livestock Marketing Association. The new organization is to be a Capper-Volstead cooperative designed to help the livestock grower effectively market cattle, hogs and sheep, prevent market gluts, reduce selling costs, and place growers on an equality with buyers in the sale of products.

The plan contemplates a State marketing organization with branch associations in perhaps 25 or 30 districts where livestock will be concentrated, graded, and prepared for consignment or sale direct to produce commission agencies, packers, and other buyers in the terminal markets.

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IOWA SEEKING SUBSTITUTE  
CROP FOR OATS.

More Iowa farmers are considering a substitute crop for oats this year than ever before because of continued low oat prices, according to H. D. Hughes of the farm crops department at Iowa State College.

Mr. Hughes suggests four crops, barley, flax, soybeans and winter wheat, which may be used to replace part of the oat acreage to give a larger net return. Barley is probably the best substitute on Iowa farms, he says, because it fits perfectly into the rotation, is seeded at the same time as oats, it is an excellent nurse crop for clover, and it gives about the same distribution of labor.

Experiments by the College show that barley will produce about 25 per cent more pounds of grain per acre than oats, on the average. Thirty per cent of the oat kernel is hull, while only 15 per cent of the barley kernel is hull, thus giving a net gain of about 50 per cent of actual feed from barley as compared with oats.

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VIRGINIA TO INAUGURATE  
LAMB GRADING SERVICE.

The Virginia Department of Agriculture hopes to develop a lamb grading service this season for lamb producers, buyers and dealers in Virginia, according to J. H. Meek, Director.

The Virginia Department will endeavor by means of this service to bring about a more uniform market for lambs of similar quality, to encourage farmers in the production of better quality lambs, and to give farmers a more definite basis for grading lambs. The service will demonstrate to farmers the value of proper grading, and insist that market agencies sell on a graded basis. Definite and practical information on current prices by grades, based upon the actual sales of lambs will be made available to farmers and others in the industry. The service will seek also to bring about closer cooperation and better understanding between producers, packers, buyers, order buyers and commission men, thereby enabling Virginia producers and dealers to better compete with the increasing competition of lambs from other sections.

CITY MARKETS NEED  
TO BE MODERNIZED.

Great changes which have taken place in the marketing of perishable farm products in recent years, influenced by improved transportation, changes in dietary habits, an increase in city purchasing power, and changes in handling methods of cities, have brought about the need for changes in market equipment, control, and truck regulation, according to M. P. Rasmussen of Cornell University.

Mr. Rasmussen says "we have nineteenth century markets trying to handle twentieth century business, which has been made possible by our improved highways. The cities might handle their own marketing facilities, however domination of the market by any one class or group, political or otherwise, might be fatal to the interests of the others."

Speaking of New York State markets, Mr. Rasmussen says that "fruits and vegetables practically dominate the market. A good volume of poultry and eggs is also shown. These products consist primarily of New York State produce. Their variety indicates that large districts are interested in these central markets. Buffalo, Albany, Syracuse, and Rochester markets draw sellers from the surrounding territory and from centers far distant from the market.

"The latter three markets attract a large number of truck dealers, who buy from the farmer and truck the produce into these cities. Inter-city truckers, who carry small lots from one city to another, are other patrons of the market. Their activities have created a greater demand for fruits and vegetables. These trucker dealers took 45 per cent of the produce sold on the Albany market last year.

"Producers should have an interest in the development of adequate city markets. A market that can handle wholesale trade, and large loads of shipped-in produce both by rail and truck, that can afford a quick transfer of produce and ample room for an easy getaway, is needed in our large cities. The roads are there but not the market facilities. The State could regulate this system perhaps better than any other agency - by creating uniform standards and regulations."

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COW PRODUCTION RECORDS  
NEEDED TO IMPROVE INDUSTRY.

Lack of production records on cows greatly handicaps dairymen, in the opinion of Dr. O. E. Reed of the Bureau of Dairy Industry, who says that "the dairy industry must have records on a much greater proportion of its cattle if there is to be any rapid improvement of cattle generally through breeding.

"We are now getting records on about half a million of our 23,000,000 milk cows. These records come, to a large extent, from the 1,100 Dairy Herd-Improvement Associations scattered over the country. There should be one of these associations, or more if necessary, in every community in the United States where dairying is carried on extensively. The State colleges of agriculture or the Bureau of Dairy Industry will be glad to tell anybody how to go about it to organize one of these associations.

## THE McNARY-MAPES AMENDMENT TO THE FEDERAL FOOD AND DRUGS ACT

By Paul B. Dunbar, Food and Drug Administration

The McNary-Mapes amendment to the Federal food and drugs act is a measure designed to authorize the Secretary of Agriculture to establish definite standards for canned food products and to promulgate a form of label designation for substandard articles. The amendment covers foods in hermetically sealed containers, sterilized by heat, excluding only meat and meat food products subject to the meat inspection act, and canned milk. This definition of canned foods is an extremely broad one. It may be interpreted as covering products not ordinarily classed in common every-day parlance as canned foods. I can say definitely, however, that with the enormous task already before it in the way of the development of standards for the conventional types of canned foods, it will presumably be a long time before the Food and Drug Administration attempts to consider the applicability of the amendment to canned food products outside of the conventional classes.

Considering the authority granted for establishing standards, it is to be noted that these cover quality, condition, and/or fill of container. Administratively, it is difficult, and probably at this stage unnecessary, to attempt to differentiate between the terms "quality" and "condition." Broadly, we interpret them as covering in varying degrees those inherent physical properties such as tenderness, flavor, color, and the like, which give to a canned food product its peculiar appeal to the palate, and the absence of which makes the product undesirable from the consumer's standpoint. They cover, also, the physical form in which the product is offered in the container; such for example as whole, sliced, or halved peaches. Extraneous material such as cob, husk, or silk in canned corn, shells in peas, pits in pitted fruit, and the like, also affect both the quality and condition of the product.

The act provides that the Secretary shall promulgate a form of label which shall be employed on substandard products. It is not our conception of the purpose of Congress that this substandard label was intended to stigmatize unduly the article to which it is applied. While it may have been the purpose of some of the advocates of this measure in the canning industry to make substandard canned goods so unpopular that they would be forced off the market, we do not find in the legislation, or in the debates preceding its enactment, any ground for believing that Congress intended to authorize the Department to establish a form of substandard designation which would make the product wholly objectionable and unsalable. The amendment makes it very clear that its purpose is to let the consumer know what goods are substandard.

It is our conception that a substandard product is wholesome and edible, even if not so palatable or attractive as a standard product. If it were unwholesome or inedible, its distribution would be illegal under the general terms of the law. A housewife with a limited budget should be enabled, under the terms of this act, by an intelligent reading of the substandard labeling, to purchase a product within the reach of her pocketbook, which will carry the nutritive if not the esthetic value of standard canned food products, and she should be able to buy it without having created in her mind the suspicion that she is purchasing something unfit for her family's consumption.

COPIES OF RADIO TALKS  
ON FARM OUTLOOK AVAILABLE.

Copies of radio talks on the agricultural outlook for 1931, by members of the staff of the Bureau of Agricultural Economics, may be obtained from the bureau, as follows:

- "The Wheat Outlook," by E. J. Working, February 3.
- "The Fruit Outlook," by J. W. Park, February 5.
- "The Outlook for Tobacco," by C. E. Gage, February 3.
- "The Feed Crop Outlook," by Joseph A. Becker, February 3.
- "The 1931 Hog Outlook," by C. A. Burmeister, February 4.
- "The Beef Cattle Outlook for 1931," by G. B. Thorne, February 4.
- "The Dairy Outlook for 1931," by L. M. Davis, February 4.
- "The 1931 Sheep and Wool Outlook," by C. V. Whalin, February 4.
- "Early Vegetable Outlook," by B. C. Boree, February 5.
- "The Potato Outlook," by Wells A. Sherman, February 5.

Other mimeographs now obtainable from the bureau, are:

- "Marketing North Carolina Strawberries, 1930 Season," by R. E. Keller.
- "Summary of Standard Tobacco Grades for U.S. Type 31."
- "The History of Agriculture in the United States," a brief list of annotated references, compiled by Everett E. Edwards.
- "Quality of Cotton Produced in North Carolina, Crops of 1928 and 1929."
- "Publications Issued by the Bureau of Agricultural Economics."
- "The Outlook for Certain Fruits and Nuts in 1931," excerpts from the Annual Outlook Report issued on February 2.

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PUBLICATIONS

"The Agricultural Outlook for 1931," (complete report) has been issued as Miscellaneous Publication 108 by the U. S. Department of Agriculture.

"Grain Guide for Organizing Local Cooperative Marketing Associations" has been issued as Bulletin 5 by the Federal Farm Board.

"Investigations in the Feeding of Cottonseed Meal to Cattle," has been issued as Technical Bulletin 59 by the North Carolina Agricultural Experiment Station, Raleigh, N. C.

"Beef Production and Quality as Affected by Grade of Steer and Feeding Grain Supplement on Grass," has been issued as Technical Bulletin 217 by the U. S. Department of Agriculture.

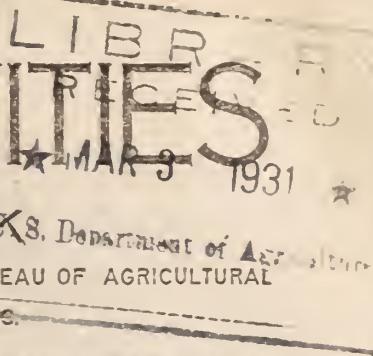
"Karakul Sheep," has been issued as Farmers Bulletin 1632 by the U. S. Department of Agriculture.

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TITLE TO 417,064 ACRES OF FOREST LAND was obtained by the United States and the National Forest Reservation Commission approved purchase of 538,048 acres in the fiscal year 1930, according to a report transmitted to Congress by Secretary of War Hurley, chairman of the commission.

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**MARKETING ACTIVITIES****AND OTHER ECONOMIC WORKS**

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



February 25, 1931

Vol. 11, No. 8

AGRICULTURAL COMMISSIONERS CONSIDER  
NEW ENGLAND INSPECTION SERVICE.

Establishment of a New England-wide shipping point inspection service was considered at a joint meeting of the New England Association of Marketing Officials and Commissioners of Agriculture for the New England States, held at Boston, February 10.

It was brought out at the meeting that the States of Maine, Massachusetts, Connecticut, and Rhode Island would require special legislation to participate in the proposed service, and it was generally decided that the marketing officials work out an agreement between the States for exchange of inspection information and to study the proposition based on data as to the movement of commodities from State to State. It was suggested that grading schools for the various State inspectors be held in Boston occasionally in order to bring about uniformity of inspection within the New England States, and it was voted that arrangements be made for the training of apple inspectors in Boston this month.

At the meeting of the marketing officials a committee was appointed to devise some means of adapting the New England label to advertising use.

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GOVERNMENT STANDARDS FOR  
CANNED FOODS ARE ISSUED.

Standards for canned peaches, pears, and peas, the label statement designating substandard quality for certain canned foods, and the standard fill of container for canned foods, were announced February 16 by Acting Secretary of Agriculture R. W. Dunlap, the order to become effective 90 days from date of signature.

Establishment of these standards is authorized by amendment of July 8, 1930 to the Federal food and drugs act. Beginning May 17, 1931, all canned peaches, pears, and peas, coming within the jurisdiction of the amendment and falling below the standards of quality established by that amendment, will be required to be designated as "Below U. S. Standard Low Quality But Not Illegal." This statement will be displayed prominently on the container in immediate conjunction with the name of the article wherever such name appears, and will inform the buyer that the canned food, while substandard, is nevertheless wholesome and edible even though not so palatable or so attractive as a standard product.

Standards for other canned foods are to be issued in the near future.

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TWO THOUSAND FARMERS attended the first 25 agricultural outlook meetings held from February 9 to 18 in Iowa, according to J. C. Galloway of the Iowa Extension Service. The attendance averaged between 80 and 90 farmers per meeting, or practically double the attendance at the 1930 meetings.

U. S. Dept. of Agriculture Library,  
Attn., Miss Trolinger,  
Washington, D. C.

"CORN ON THE COB" ADDED  
TO QUICK-FROZEN FOOD LINES.

"Sharp freezing" corn on the cob is the latest addition to the rapidly increasing list of "quick-frozen" fresh foods. The corn is frozen within three or four hours after it is taken from the field and the flavor, when the corn is thawed out and eaten weeks or months later, is said to be "perfect" and "infinitely better than the ears of corn which are sent to big markets fresh, the difference being that sharp freezing holds the flavor as it was when picked, and shipped corn for delivery fresh is two to six days old by the time consumers get it."

Blends of California and Florida fruit juices, quick-frozen at points of production, are being retailed experimentally in glass bottles in Chicago. National distribution through institutional outlets, dairy concerns, door-to-door delivery and retail food shops is being planned. At present, juice is shipped in frozen form in refrigerator cars to Chicago in large 6-gallon cans in which it is frozen. A fiber container is being designed in which juice will be frozen in consumer packages. Frozen peaches in consumer packages are also being distributed.

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PENNSYLVANIA DEALERS FINED  
FOR FOOD LAW VIOLATIONS.

Sixty-two prosecutions for the violation of Pennsylvania's pure food laws were ordered during the past month, according to Dr. James W. Kellogg, Pennsylvania Department of Agriculture. Two dealers were heavily fined for selling oleomargarine without a license; six middlemen were prosecuted for selling dairy products deficient in butterfat.

Violating the cold storage and fresh egg acts resulted in 21 prosecutions. Seven merchants were found selling unmarked cold storage eggs, while 14 dealers were fined for selling eggs as fresh which were not fresh.

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NORTH CAROLINA REPORTS  
ON ECONOMICS WORK.

Seven active projects in research in agricultural economics are reported by the North Carolina Agricultural Experiment Station in its Fifty-third Annual Report which covers the year ended December 1, 1930. They are:

1. Farm Organization and Management in Wake County.
2. Methods and Practices in the Production of Cotton and Tobacco.
3. A Study of Organization and Management of Farms Operated by Cropper Labor.
4. Grade and Staple of North Carolina Cotton.
5. Cotton Marketing and Price Study.
6. Consumption and Production of North Carolina Cotton.
7. Cooperative Marketing Activities.

Details regarding this research may be obtained from G. W. Forster, Department of Agricultural Economics, State College Station, Raleigh, N. C.

GEORGIA HELPING TO ORGANIZE  
TOBACCO MARKETING ASSOCIATION.

Progress in organizing Georgia tobacco growers for cooperative marketing, in assisting in a membership campaign for marketing pecans cooperatively, and in assisting Georgia farmers in marketing individual small surpluses is reported by J. William Firor, Division of Agricultural Economics and Marketing, Georgia College of Agriculture.

Mr. Firor says:

"C. G. Garner, specialist in cooperative marketing has been working closely with the Georgia tobacco growers cooperative association in their organization activities. Representative growers were selected in the principal tobacco growing counties at meetings and conferences called by the marketing specialists and county agricultural agents. These representatives constituted themselves an organization committee which decided to put on a campaign for membership. During January, February and March community meetings are being held at which the State marketing specialist is explaining to the tobacco growers the nature, purposes, and objectives of cooperative marketing.

"The Divisions of Agricultural Economics and Horticulture have cooperated with the Federal Farm Board in fostering the initial efforts to have a National Sales Agency for pecans. During February a series of county meetings were held at which the nature, purposes and objectives of the National Pecan Marketing Association were explained to the pecan growers by representatives of the Georgia State College of Agriculture and the National Association.

"L. E. Farmer, extension economist in marketing, has formulated a plan for assisting the Georgia farmers in marketing locally, to local consumers, the individually small surpluses which resulted from a farm program intended to supply farmers with food and feedstuffs. A series of conferences have been held for the purpose of establishing, wherever feasible, growers' public markets, at which these farmers may have the opportunity to sell small lots of miscellaneous farm products. Two successful growers' markets are in operation in the State; plans are under way now to establish growers' markets in other large towns and small cities."

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ONTARIO WOULD REGISTER PRODUCE  
GROWERS AND LICENSE COMMISSION MEN.

W. B. Somerset, Commissioner, in a report on the marketing problems of the Ontario (Canada) fruit and vegetable industry recommends that all commercial fruit and vegetable growers in Ontario be registered and required to place their registered number on all packages they market, and that all shippers, truckers and commission men be licensed.

The recommendation are the result of an inquiry into growers problems as authorized by an Order-In-Council dated September 30 last. Mr. Somerset was appointed Commissioner of this inquiry. He recommends also the establishment of sales promotion offices in Western Canada, advertising of Ontario produce, seasonal surveys of crop conditions and sales possibilities, governmental assistance in establish central packing plants and storage facilities, by-products research, collective purchasing by producers, and establishment of an Ontario brand or guaranteed quality label.

Copies of the complete report of the inquiry may be obtained from Hon. Thomas L. Kennedy, Minister of Agriculture, Toronto, Canada.

NEW YORK DEPARTMENT  
REPORTS ON YEAR'S WORK.

Continued and rapid expansion of the grade inspection and certification service has been one of the important features of the marketing work of the New York State Bureau of Markets during the current year, according to H. Deane Phillips, Director, in his annual report for 1930.

"During the portion of the 1930-31 shipping season covered by this report (July 1 to January 1), the total number of inspections made and certificates issued already exceed the highest previous total for any entire year," Mr. Phillips says. "Inspections at factories also show a decided expansion during 1930, compared to the preceding year. There can be no question that this service is proving itself an important aid in improving both the production and marketing of canning crops, increasing prices to growers and furnishing factories with greatly improved quality in the products delivered."

Mr. Phillips reports that agricultural cooperation is making steady progress in the State, in that about thirty new cooperative corporations are formed each year. Studies of city and regional markets have strengthened the conclusions arrived at previously that there is urgent need for modernizing city market facilities; that the type of facility needed is one that makes provision primarily for the wholesale handling of both State-grown and shipped-in produce in a single combined terminal and farmers' market; that the service to be performed by such a market is a regional, rather than a local, service, and that there is need for a definite State program for the establishment and coordination of such facilities.

Copies of the complete report which describes the market news service, gives detailed statements regarding market facilities at Buffalo, Syracuse, Elmira, and other cities, and discusses the administration of the commission merchants' law and grape law enforcement, in addition to the functions summarized above, may be obtained from H. Deane Phillips, New York State Bureau of Markets, Albany, New York.

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IN CONGRESS:

H.J.Res. 506 A bill to amend the paragraph relating to drought and/or storm or hail-stricken areas as contained in the Interior Department Appropriation Act for the fiscal year 1932 has been signed by the President of the United States.

S. Res. 405 by Senator Brookhart, to investigate the retail prices of milk and other dairy products has been reported out of the Senate Committee without amendment.

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"A COOPERATIVE MARKETING MANUAL" has been issued as Bulletin 276 by the North Carolina Agricultural Experiment Station, Raleigh, N. C. This publication discusses the problem of agriculture after the World War, governmental assistance to agriculture, schemes for handling the surplus, the agricultural marketing act, how to organize cooperative marketing associations, the principles of efficient cooperative marketing, and what cooperatives can and cannot do.

## SOME RESULTS OF A STUDY OF MEMBERSHIP RELATIONS

By J. Kenneth Stern  
Pennsylvania State College

During the past summer 545 patrons of six cooperative purchasing associations were interviewed in an attempt to learn something concerning their attitudes toward cooperative organizations, the reasons for those attitudes, and also to compare those men with a theoretically ideal cooperator.

Practically all of the men interviewed were transacting business with their cooperative organizations occasionally, if not regularly during the year.

Only 58 per cent of the members interviewed said they talked about their cooperative organizations to their neighbors. Very little enthusiasm was found in most communities. Seldom, if ever, are local cooperative meetings held. Only one local purchasing organization in the state sends out a cooperative paper, and only half of the members stated that they talk about their organization--is it any wonder that many farmers are not concerned about cooperation?

Almost half of the members interviewed readily admitted that they "go shopping" before buying from the cooperative. They buy where they can buy cheapest. So long as half of the members, not to mention non-members, are not loyal to their own organization and merely buy there when it is cheaper than anywhere else, then one can hardly be sincere in calling such organizations cooperative.

Most of the members and even half of the non-members interviewed were convinced that the cooperative purchasing organization had lowered prices in the community, not as many were convinced that prices would rise if the cooperative no longer existed. Price cutting policies instead of a policy of selling goods at the prevailing price level and returning the difference to patrons in patronage dividends, have been responsible for the latter opinion.

Only 58 per cent of the members interviewed reported that they buy all of their supplies through the cooperative--that is all of the supplies which the cooperative handles. If members themselves do not support their own organizations then it is impossible to get outsiders interested in it. Here again as in the membership study conducted last summer one must come to the conclusion that the member and not the non-member is the big problem. If members were enthusiastic about their own organization, were loyal to it, and patronized it 100 per cent, then it would be a matter of a short time until many non-members would be interested.

Seventy-two per cent of the members interviewed reported they were satisfied with the service which the cooperative rendered. The range in the six organizations studied was from 47 per cent to 100 per cent satisfied. That is, in one organization, less than half of the members were satisfied with the service and in another organization all were satisfied. Cooperative managers and directors have not always felt obligated to make certain that all of their customers were satisfied. Much trouble results occasionally with many independent buying organizations because a bad lot of feed, fertilizer, or seeds is delivered. It seems probable that in the near future the independent buying organizations in Pennsylvania will either federate to do their purchasing or else buy through one of the wholesale cooperative organizations now in existence.

THE "ACCOUNTING" REQUIRED UNDER THE PRODUCE AGENCY ACT MEANS "PAYMENT."

United States v. Rehwald, et al.

District Court, S. D. California, November, 1930 (44 F. (2d) 663.

S. P. Rehwald and another were charged with fraudulently failing to account for perishable farm products received in interstate commerce, the accusation arising under the Produce Agency Act of March 3, 1927. The portion of the Act applicable in this case is as follows: "After June 30th, 1927, any person, firm, association, or corporation, receiving any fruit, vegetables, melons, dairy, or poultry products or any perishable farm products of any kind or character \* \* \* in interstate commerce, or in the District of Columbia, for or on behalf of another, who \* \* \* shall knowingly and with intent to defraud fail truly and correctly to account therefore shall be guilty of a misdemeanor and \* \* \* shall be punished. \* \* \*"

Under the stipulation of facts submitted, it is stated that defendants received in interstate commerce from the shipper a consignment of cantaloupes from Yuma, Arizona, which were sold by defendants at San Bernardino, California, and that, after deducting the necessary expenses, the net proceeds from the sale amounted to \$593.67. Defendants did not forward a statement of the account or receipt of the shipment until the lapse of three or four months when "an account of receipt and sales was rendered." This was accompanied by a statement that defendants had had business difficulties with their creditors and therefore had delayed accounting hoping to be able to send with it money due the shipper. However, the net proceeds were not sent and the question presented on the motion to dismiss the information was whether the words "account therefor" as they appear in the statute, when properly interpreted, include payment or are restricted to a recital of the transaction.

The court found that the object and purpose of the Act were fairly disclosed by the author of the bill when he appeared before the Committee holding hearings thereon and stated that the words "shall truly and rightly account therefor" included payment. In discussing the point, the court said in part: "I have considered the arguments pro and con and reached the conclusion that Congress used the phrase 'account therefore' in a sense broad enough to include payment and settlement of the account. The act in question specifies several offenses, among them making a false report or statement with intent to defraud concerning the handling, condition, and quality of the produce, or, with like intent, failing truly and correctly to account therefor. Such phrasing, in my opinion, implies the omission to account therefor by payment. It is inconceivable that Congress merely intended to legislate against a false statement to the shipper to enable the latter to pursue a civil remedy for the recovery of the amount, and I deem it more logical that Congress designed to protect shippers of products in interstate commerce from misappropriation by their agents and to compel a true accounting of the transactions and remission of the proceeds of sale."

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

★ MAR 11 1931

U. S. Department of Agriculture

March 4, 1931

Vol. 11, No. 9

RULES FOR LOANS TO CREDIT  
CORPORATIONS ARE APPROVED.

The general instructions and various forms for making advances or loans for assisting in forming local agricultural credit corporations, live-stock loan companies or like organizations, or to increase the capital stock of such organizations qualified to do business with the Federal intermediate credit banks, have been approved by Secretary of Agriculture Hyde. Ten million dollars of the twenty million appropriated by Congress February 14, the Secretary has announced, will be tentatively reserved for the above purpose.

According to the Secretary's instructions, loans may also be made to individuals in the drought and/or storm stricken or hail stricken areas of the United States, upon the security of the capital stock of such corporations or companies, but in all cases the proceeds of such loans must be used to form part of the capital structure of the corporation or to expand its capital, or to replace any impairment of the capital structure of the corporation.

The Department of Agriculture expects to begin distribution of the necessary forms immediately, and to be making these loans in a week or ten days. The forms are being sent to intermediate credit banks and to a long list of companies and individuals who have indicated a desire to form such credit organizations.

Secretary Hyde has liberalized the regulations, made December 30, 1930, governing the granting of loans from the \$45,000,000 fund provided for seed, fertilizer, feed and/or fuel and oil for tractors, so that loans up to \$75 may be made to farmers for buying feed for livestock - dairy cows, hogs and poultry - used for producing food for the farm family.

A further liberalization of regulations provides that in the drought and/or storm stricken areas of Georgia, Florida, North Carolina, Virginia, Maryland, West Virginia, Ohio and Michigan the limit of loans to the tenants of any one landlord in any one county be \$2,000 instead of \$600 for seed, fertilizer, feed and/or fuel and oil for tractors in 1931.

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CROP REPORTING DATES  
ANNOUNCED FOR COMING YEAR.

Dates for the issuance of seven cotton reports and eleven reports on crops other than cotton by the Crop Reporting Board of the United States Department of Agriculture have been approved by the Secretary of Agriculture. State data for crops other than cotton will be published either at 5 p.m. or at 9 a.m. following publication of the United States figures. A list of these dates and descriptions of the reports to be issued may be obtained from the Bureau of Agricultural Economics, Washington, D. C. Dates have been set also for release of the cotton grade and staple reports.

GRAIN GROWERS TRYING TO CUT  
COSTS BY CLEANING SEED WHEAT.

Many grain growers in the spring wheat region including the States of Minnesota, North Dakota, South Dakota, Montana, Iowa, and Nebraska are trying to cut costs of production by cleaning seed before seeding, according to grain marketing specialists of the Bureau of Agricultural Economics. These growers expect to obtain increased yields per acre by eliminating wild oats, mustard, pigeon-grass, and other weeds from the seed grain.

The bureau has available several publications that give detailed instructions and methods for cleaning seed grain.

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ILLINOIS MAKES SURVEY  
OF WHEAT GROWING COSTS.

It costs about 93 cents a bushel to grow wheat in the St. Louis wheat and dairy area, according to cost figures gathered by the Illinois College of Agriculture. Land in this area, according to the announcement, is valued at about \$80 an acre and it takes approximately 12 man hours and 24 horse hours to grow an acre of wheat. Allowing 18 cents an hour for man labor and 9 cents an hour for horse labor, and adding these to the other items of expense, an acre of wheat producing 18 bushels costs \$16.75 in the St. Louis area.

In east central Illinois where land varies in value from \$125 to \$175 an acre, it costs about 88 cents a bushel to grow wheat, according to figures kept by a group of farmers for the college.

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NEW JERSEY ISSUES QUARANTINE  
ORDER ON BREEDING CATTLE.

The New Jersey Board of Agriculture will require that all dairy and breeding cattle destined for New Jersey after April 1 pass a satisfactory test for Bang abortion disease before being admitted.

This regulation has been promulgated by William B. Duryee, State Secretary of Agriculture. Secretary Duryee says that "the embargo on infected cattle is made necessary by the fact that, while New Jersey is combatting Bang abortion disease within its borders, a large number of untested cattle, many of which are diseased are being shipped into the State. A continuation of the practice of allowing this to be done undoubtedly would result in the infection of a number of susceptible New Jersey cows and add to the burdens of agriculture in the State."

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LIVESTOCK FEEDS MUST BE LABELED.

The only definite, positive Federal requirement for the labeling of livestock feeds is that "the net weight of contents must be printed on the label of the container in a plain and conspicuous manner," according to G. L. Bidwell, Federal Food and Drug Administration. Mr. Bidwell says that although some State laws require a statement of the analysis and a list of the ingredients of feeds to be printed on the feedbag or other container, no such declarations are required by the Federal food and drugs act.

AGRICULTURAL SEASONGETS UNDER WAY EARLY.

Field work in agriculture is getting an early start this season, but there are many uncertainties as to both production and prices, according to the Bureau of Agricultural Economics in its March 1 report on the agricultural situation.

The bureau says that the small amount of snow or rain is disquieting to some eastern and central areas where last summer's drought was so serious, and unless heavy spring rains come there may be a recurrence of difficulties this summer.

"Prices of farm products, in general, are below the 1910-14 level, with some basic commodities almost going begging for buyers." Three "background" factors that over-shadow the beginning of the season, says the bureau, are "existing large stocks of wheat and cotton, the industrial depression, and the general world-wide decline in prices of all commodities."

The bureau says that "any substantial increase in consumption of cotton, as well as of many other farm products, depends on the resumption of industrial activity. Well-informed observers are now very conservative in their forecasts of the business situation, although general opinion seems to favor some improvement by the latter part of the year."

In a special report on what is termed "the unpromising wheat market situation" the bureau says that "the extreme weakness now prevailing in world wheat prices is largely the result of the unusually active competition among wheat exporting areas to dispose of this season's relatively large surplus; the maintenance of restrictive legislative barriers in important consuming countries; and the general depression in business and in all commodity prices."

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IOWA FARM INCOME RANKS  
SECOND AMONG STATES.

The cash income from farm products in Iowa averaged \$639,828,000 for the five years, 1924 to 1928, a cash income that gives Iowa second highest rank among the 48 States, being exceeded only by Texas, according to the Iowa Industrial Survey report, authorized by the forty-third general assembly of the State.

The 1,700 page report presents statistics obtained after a lengthy survey of agricultural and manufactured products, raw materials, transportation and banking facilities and other subjects relative to Iowa, her people and her industries. It was learned that "Iowa ranks first in production of more different types of agricultural products than any other State in the Union."

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PRICES OF FARM PRODUCTS  
REACH NEW LOW LEVELS.

The general level of prices of farm products, at the farm, on February 15 was 90 per cent of the pre-war level, as compared with 94 on January 15 this year, and with 131 on February 15, 1930. Ninety is the lowest farm price level recorded by the United States Department of Agriculture during the period covered by its farm price index - 1910 to 1931.

From January 15 to February 15 moderate advances in the farm price of cotton, cottonseed, apples, sheep, lambs and horses were more than offset by lower farm prices of grains, flaxseed, hay, potatoes, hogs, cattle, calves, chickens, dairy and poultry products.

TEXAS REPORTS RESULTS  
OF COTTON GINNING STUDY.

The results of experiments conducted on an air-blast type of gin from 1926 to 1929, inclusive, at the Texas Agricultural Experiment Station, are reported in Bulletin 416 just issued by the Texas Station. This research was undertaken to determine the effect that different speeds of saws, densities of breast-roll, and the use of the standard air-line cleaner have on the grade and staple of cotton of varying lengths.

The results of the experiments show, in general, that a saw speed of 760 revolutions per minute, used together with the loose breast-roll and the standard air-line cleaner, provide the most favorable conditions for ginning cotton on the air-blast type of gin used.

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RIO GRANDE VALLEY  
CITRUS INDUSTRY SURVEYED.

More than 5,000,000 citrus trees were set in orchard form in the Lower Rio Grande Valley up to July 1929, according to the Texas Agricultural Experiment Station in a report of a survey of the industry, in Bulletin 419 just issued.

The Station says that "the proportion of the acreage which is being set to grapefruit indicates that growers and shippers have found the grapefruit to be the most profitable type of citrus fruit for this region. Sweet oranges are apparently not as well adapted to local conditions as are grapefruit but are being grown to a limited extent. Until a variety of sweet orange is developed or introduced which will combine early maturity and good 'keeping quality' with excellence of flavor and prolific bearing capacity, this industry will not keep pace with grapefruit production."

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TENNESSEE REPORTS ON  
FARM LIVING STANDARDS.

The University of Tennessee has just issued the results of studies of the inadequacy of cost of living figures as measures of standard of living, and of factors in the retention of farm wealth. Prof. C. E. Allred is the author on two mimeographed bulletins issued by the University on this subject.

The University reports also that G. H. Hatfield, assistant agriculturist, has been engaged in a study of cotton marketing, during the past year. It announces, further, that "a comprehensive economic and social survey of the Southern Appalachian region is being planned by several Federal and State cooperating agencies."

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FARM POPULATION SHOWS INCREASE.

The farm population in 1930 increased for the first time in ten years, the Bureau of Agricultural Economics has announced. The net movement away from farms was 151,000 persons last year, but a normal increase of 359,000 births over deaths on farms last year brought the total farm population on January 1, 1931 to 27,430,000 persons as compared with 27,222,000 persons on January 1, 1930.

NEW ENGLAND OUTLOOK IS  
FOR IMPROVEMENT FROM LOW LEVELS.

Demand for New England agricultural products during 1931 is likely to show some improvement from the low levels of this winter, according to the New Hampshire Department of Agriculture in its Weekly Market Bulletin, dated February 25. The department continues:

"The continuance of low consumer purchasing power is likely to be the dominating factor in the near future with a fair prospect of a slight general improvement as the year progresses. Such an improvement in demand is not likely to be enough to bring about a total farm income in New England during 1931 above the low income of 1930.

"A highly competitive marketing situation and low prices of milk and cream have resulted in decidedly lower milk prices during the past few months and no immediate recovery is anticipated. The low milk prices are only slightly compensated by lower prices of dairy feeds. The present ratio of milk prices to feed prices is the most unfavorable which has existed during the past ten years."

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IN CONGRESS:

H. R. 15256 - The Agricultural Appropriation bill for the fiscal year ending June 30, 1932 has been signed by the President.

The Independent Offices Appropriation bill (H.R.16415) has been signed by the President.

H. R. 7 - by Mr. Haugen, to amend sections \* \* \* of the U. S. Warehouse Act, approved August 11, 1916, has been presented to the President for his signature.

S. 5833 - by Senator McNary, an Act entitled "An act to provide for further development of Agriculture Extension Work between the Agricultural colleges \* \* \* receiving the benefits of the act entitled 'An act donating public lands to the several States and Territories \* \* \* has been referred to the House Committee on Agriculture.

S. Res. 479 - by Mr. Caraway, resolution authorizing the Secretary of Agriculture to inform the Senate why the \$20,000,000 appropriated in the Interior Department appropriation bill to be loaned for the relief of farmers in the drought-stricken area has not been made available \* \* \* was agreed to and the preamble was stricken out.

S. Res. 377 - by Mr. Thomas, of Oklahoma, providing for an investigation of the mineral resources of the country as related to farm lands, \* \* \*; was agreed to.

BRIEFS

EGYPTIAN COTTON is not suited to Texas, according to Department of Agriculture specialists. The Egyptian variety is reported by the department to be more susceptible to disease and more exposed to weevil injury, and "no reliance should be placed on the report that the variety is immune to boll weevil injury."

NO RELAXATION is to be made in the regulations governing the admission of narcissus bulbs into the United States from abroad, according to Lee A. Strong, Federal Plant Quarantine and Control Administration.

COMMUNITY CONSOLIDATION would relieve farm tax burdens in the opinion of Dr. C. J. Galpin, Department of Agriculture sociologist. Doctor Galpin cites several instances where counties have reduced overhead expenses by agreeing to consolidate some of their institutions.

A PUBLIC SERVICE PATENT on ethylene oxide as a fumigant for certain foodstuffs stored in quantity has been granted by the Patent Office to Dr. Ruric C. Roark, chemist, and Dr. Richard T. Cotton, entomologist, of the Department of Agriculture.

PUBLICATIONS  
(B.A.E. Mimeographs)

- "Marketing Louisiana Strawberries," 1930 Season, by J. P. Klein.
- "Functions of Tobacco Grading Service," by Chas. E. Gage.
- "The Reduced Feed Supply and Its Relation to the Livestock Outlook," by G. B. Thorne.
- "Farmers' Response to Price in the Production of Flax," by F. F. Elliott and Oris V. Wells.
- "United States Standards for Broomcorn," effective March 1, 1931.
- "Dairy and Poultry Market Statistics, 1930 Annual Summary."
- "The Perishable Agricultural Commodities Act, 1930," by F. G. Robb.
- "Coordination of Farm-Management Extension Programs," by V. B. Hart.
- "The February Poultry and Egg Markets," radio talk, Feb. 26, by Roy C. Potts.
- "February Lamb Markets," radio talk, Feb. 26, by C. L. Harlan.
- "Quality of Cotton Ginned up to Jan. 16," radio talk, Feb. 13, by W. B. Lanham.
- "The Hog Markets," radio talk, Feb. 17, by C. E. Gibbons.
- "Who Makes the Cattle Market," radio talk, Feb. 19, by C. V. Whalin.
- "The Price Situation," radio talk, Feb. 16, by Dr. O. C. Stine.
- "Farm Population Starts Gaining," radio talk, Feb. 19, by Dr. C. J. Galpin.
- "Equitable Farm Leases," radio talk, Feb. 9, by O. M. Johnson.
- "The Feed Situation," radio talk, Feb. 9, by F. J. Hosking.

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PURCHASE OF 254,022 ACRES for national forests was approved by the National Forest Reservation Commission at a meeting in Washington, February 25. The purchase authorizations cover 290 tracts in 26 units lying in 19 States east of the Great Plains. The total purchase program approved represents an obligation of \$1,186,159.40. Lands acquired will be administered by the Forest Service.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

U. S. DEPARTMENT OF AGRICULTURE

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MAR 23 1931

March 11, 1931

Vol. 11, No. 10.

PRODUCE JOBBERS MUST BE  
LICENSED UNDER FEDERAL LAW.

Many jobbers who have not applied for Government licenses under the terms of the Perishable Agricultural Commodities Act, in the belief that the law does not affect them because their purchases are made from local receivers of fruits and vegetables, must be licensed, in the opinion of the Solicitor of the Department of Agriculture.

There are instances, says the Solicitor, when jobbers may be construed to be doing an interstate business in fruits and vegetables even though the financial transaction is between the jobber and a local receiver, as in a case where the receiver has obtained produce from producers or shippers in another State.

In view of this opinion the department urges all firms or individuals doing a jobbing business in fruits and vegetables to make application for licenses under the Perishable Agricultural Commodities Act, enclosing a check for ten dollars payable to the Disbursing Clerk of the U. S. Department of Agriculture.

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DECLINE IN MILK SALES  
SUBJECT OF NEW YORK CONFERENCE.

A conference of milk producers, milk dealers and distributors, and public health officials to consider ways to increase milk consumption in New York City is to be held by the New York Food Marketing Research Council on March 20.

Earl R. French, executive secretary of the Council, reports that fluid milk consumption in the New York metropolitan areas is approximately 7,000 cans per day less than at this time a year ago, whereas normally there is an increase of 3,000 cans per day. He says that the decreased milk consumption is attributed to the business depression and unemployment, but that the subject justifies a more enlightening analysis.

The conference will endeavor to ascertain what grades of milk have been most affected by the decreased consumption, what shifting there may have been from quart purchases to pint purchases, whether the consumption per family has declined or whether a portion of the families have given up fluid milk entirely, how much bulk sales have been affected in comparison with bottled sales, whether there has been a shift to condensed milk, what sales reaction there has been to decreased prices of milk and cream, and to what extent milk consumption can be restored by means of educational campaigns.

Original information pertaining to milk consumption, collected from 14,000 families in New York City, classified according to incomes and races, will be presented at the conference.

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Washington, D. C.

CONNECTICUT MAKING SURVEY  
OF APPLE VARIETIES.

An apple survey, the results of which are expected to furnish growers with authentic information as a basis for determining the variety of trees which should be set this spring, is being made by the Connecticut Department of Agriculture in response to a request of the Connecticut Pomological Society.

The questionnaires distributed by the department ask farmers for information as to number of trees, bearing and nonbearing, of various ages, by varieties, together with production for the past two years. Each grower is also requested to state what he believes to be his principal apple marketing problem.

The Connecticut Department said that McIntosh production is increasing very rapidly throughout New England, and that it is evident that if this condition continues, new markets outside the New England area must be developed if favorable prices are to be maintained. The results of the survey will also enable the Connecticut Department to answer market inquiries for the various varieties of apples grown in the State.

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NEW YORK FARMERS AID  
IN RELIEVING DROUGHT SUFFERERS.

Farmers in 25 New York counties, cooperating with their county farm bureaus and the Red Cross are preparing to ship from one to three cars of fruits and vegetables from each county for the relief of drought sufferers in Tennessee, Kentucky, and West Virginia, according to L. R. Simons, State leader of county agents at Cornell University. Many New York State farmers who have been unable to contribute to requests for funds are responding to the appeals for produce which the railroads are transporting free until March 15, he says.

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INTERNATIONAL CONGRESS TO  
CONSIDER WORLD AGRICULTURE.

World agricultural policies with a view to organizing agricultural production in different countries so as to equalize the supply with the demand for farm products will be considered at the Fifteenth International Congress of Agriculture at Prague, Czechoslovakia, June 5 to 8, this year. Ninety-two national agricultural associations from 27 countries will participate in this Congress to be held under the auspices of the International Commission of Agriculture.

Prof. Dr. Ing. Vlad. Brdlik, president of the organization committee, has asked the U. S. Department of Agriculture to bring the Congress to the attention of agricultural scientists and leaders in this country.

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RULES AND REGULATIONS of the Secretary of Agriculture, governing the inspection and certification of fruits, vegetables, and other products, as revised in January, 1931, may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

CALIFORNIA STUDYING  
EAST BAY MILK MARKET.

A survey of the East Bay Milk market is being made by the University of California Giannini Foundation for Agricultural Economics at the request of the Alameda County Milk Dealers' Association, the Cooperative Dairymen's League and other organizations and individuals interested. H. R. Tolley, assistant director of the foundation, has assigned Dr. J. M. Tinley and Martin H. Blank to direct the survey.

"The purpose of the survey is to gather all the facts concerning the production and distribution of market milk in this area as a basis for a price policy which will tend to prevent the occurrence of milk wars in the future. Some of the factors to be considered in the survey are seasonal variations and trends in the supply and demand for milk, distributions' margins, differentials of market milk over butter quotations, turnover in herds, changes in the number of dairy cattle in the milkshed, relation of feed prices to production, inspection, and surplus control.

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OHIO REPORTS ON  
RECENT ECONOMIC SURVEYS.

The cost of developing an apple orchard, some factors affecting the movement of Ohio wheat, and Ohio agricultural statistics for 1929, are discussed in monograph bulletins recently issued by the Ohio Agricultural Experiment Station.

The apple orchard cost study gives an analysis of the cost items in developing an orchard of Stayman and Delicious trees under two systems of management over a period of fifteen years. In the report of factors that affect the movement of Ohio wheat, data are given on the car-lot movement of wheat, including markets, freight rates, discounting, holding, and grading.

The development of market milk areas in northeastern Ohio is discussed in a bulletin under that title, in which the influence of new methods of transportation, of growth of cities, of health regulations, and of co-operative marketing on the development of market milk areas is traced and studied.

Copies of the various bulletins may be obtained from the Ohio Agricultural Experiment Station, Wooster, Ohio.

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SECRETARY HYDE APPOINTS STATE  
COMMITTEES ON CREDIT AGENCIES.

The formation of several State committees to represent the United States Department of Agriculture in the distribution of funds appropriated by Congress for loans to individuals for the purchase of stock in agricultural credit corporations, livestock loan associations, or similar organization, has been announced by Secretary Hyde.

State advisory committees are being appointed in 21 States and acceptances and complete arrangements have been made with most of these committees.

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## IN CONGRESS:

H. R. 16836 - Amending the "Act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine, was signed by the President.

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PUBLICATIONSB.A.E. Mimeographs:

"Production and Carry-Over of Fruit and Vegetable Containers for the year 1931."

"Marketing Eastern Shore Strawberries, 1930 Season," by V. H. Nicholson.

"Marketing Arizona Lettuce, 1930 Spring Season," by R. H. Lamb.

"Marketing the Lower Rio Grande Valley Potato Crop, 1930 Season," by W. D. Googe.

"Estimated Numbers of Apple Trees by Varieties and Ages in Commercial and Farm Orchards in North Carolina, Southeastern Nebraska, Arkansas, Washington, Iowa, New Jersey. (Separate report on each State).

"March Cattle Markets," radio talk by C. V. Whalin, March 9.

"February Grain Markets, radio by G. A. Collier, February 25.

"Comments on the Agricultural Situation," radio talk by A. B. Genung, March 2.

"February Dairy Markets," radio talk by L. M. Davis, February 25.

Department Publications:

"The Farm Outlook for 1931 - Facts For Farmers, from the National Outlook, 1931, issued by the Bureau of Agricultural Economics."

"Survey of the Fertilizer Industry, Circular No. 129.

"Regulations under the Federal Seed Act."

State Publications:

"Varieties of Cotton for North Texas," Bulletin 417, by Texas Agricultural Experiment Station.

"Wyoming Agricultural Situation," Circular 34, by the Wyoming Extension Service.

"The Quality of Packet Vegetable Seed on Sale in New York in 1929 and 1930," Bulletin 587, by Cornell University.

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## AND OTHER ECONOMIC WORK

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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 18, 1931

Vol. 11, No. 11.

NEW JERSEY MAKES SURVEY  
OF LARGE-SCALE FARMING IN STATE.

There is no definite trend toward either increase or decrease in the size and number of New Jersey's large scale farms, according to the New Jersey Department of Agriculture in a report of a survey of large-scale farming in that State.

Seventy-nine farms which were considerably above the average of all New Jersey farms in size were studied in order to obtain information on the present status of such farms, to obtain records of their profitability, and to determine whether there was any trend toward increase or decrease in size and number of such large farms.

The average size of all farms except those devoted to poultry was 519 acres. Dairy farms and farms devoted to the production of both fruits and vegetables were largest, with an average size of 580 acres. Vegetable farms averaged 405 acres. Exclusive of two of the largest farms, the average investment was \$122,000.

Financial records on 33 of the farms showed a total investment of \$3,855,000, and a net profit after all expenditures and charges except interest on investment had been deducted, of \$371,418, which represented a return to capital of 9.6 per cent. Five of the farms sustained losses; six earned less than 5 per cent on total capital, and 22 earned more than 5 per cent on total capital.

A circular containing results of the survey will be issued at an early date by the New Jersey Department of Agriculture.

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NORTH DAKOTA DEAN IS  
PRESIDENT OF FLAX INSTITUTE.

Dr. H. L. Walster, agronomist and school of agriculture dean at North Dakota Agricultural College, has been named president of the Flax Institute of the United States, created recently to correlate and carry on the flax development work started in 1910 by the flaxseed interests of the country.

The Institute will sponsor scientific investigation into possible uses of flax and flax by-products, and supply contact for flax growers with State and Federal agricultural institutions.

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A PUBLIC HEARING in connection with the Federal inspection of grain in interstate commerce, where there are no licensed inspectors at either shipping point or destination, has been called by Nils A. Olsen, chief of the Bureau of Agricultural Economics. The hearing will be at Washington, D. C., April 7.

 U. S. DEPT. OF AGRICULTURE  
Attn., Miss Truett  
Washington, D. C.

DAIRY COOPERATIVES RECOGNIZED  
AS REGIONAL MARKETING ASSOCIATIONS.

The Federal Farm Board announced on March 12 that it has recognized the Dairy and Poultry Cooperatives, Inc., as a regional marketing association for the handling of dairy and poultry products. Sales activities of cooperatives operating in sixteen States will be centralized through this new organization with headquarters in Chicago. The member associations last year handled products valued at nearly \$20,000,000 and represent approximately 100,000 producers. The new regional sales agency, with an authorized capital stock of \$2,000,000 was incorporated in Delaware on March 9. This is the sixth regional marketing association that has been recognized by the Federal Farm Board for the marketing of manufactured dairy products and poultry products.

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LOUISIANA REPORTS CONSUMERS  
CHANGING TO PROCESSED FOODS.

"There is a noticeable tendency for the public to buy more and more of the packaged and processed foods, instead of buying the raw product," according to B. B. Jones, Louisiana Cooperative Extension Service.

Mr. Jones says that "in the case of fruits, the public is turning more and more to frozen, preserved and canned fruit and even the juices of fruits and vegetables are being widely marketed in a canned or frozen state. In order to sell their honey some producers are manufacturing honey jelly and sirups. The newest thing in meats is the quickly frozen choice cuts of beef, pork and mutton put in neat packages that can be merchandized by drug and department stores."

Maryland Department of Agriculture reports that "packaged celery, wrapped in celophane, is perhaps the latest experiment in the packaging line, and experiments are now under way for packaging tomatoes, head lettuce, and asparagus. A new container holding 14 ounces of evaporated milk will replace the 16 ounce can."

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ILLINOIS ACRE COST OF PRODUCTION  
SAME AS EIGHTEEN YEARS AGO.

The total acre cost of producing farm crops is not very different today from what it was 18 years ago, even with all the many improvements in equipment and farm practice, according to H. M. C. Case, Illinois College of Agriculture. Less man and horse labor are used with the modern methods, but machinery costs are higher, he says.

Mr. Case points out that "whether or not farmers can justify the buying of expensive equipment will depend upon the relative cost of man and horse labor to the cost of large-size, modern machinery, especially in the case of the medium-sized farm. Recent changes in the prices of things farmers buy and sell will force farmers to put off expensive purchase until a better price relationship exists between the two groups of commodities."

NEW JERSEY TO ENFORCE  
CORN BORER QUARANTINE.

Inspections of passing automobiles and other potential carriers of green corn will be made in three New Jersey counties - Hudson, Warren and Hunterdon counties - this summer to prevent the European corn borer from spreading to uninfested areas in New Jersey and other States, the New Jersey Department of Agriculture has announced. The inspections will begin when the sweet corn starts to move and will be made in accordance with Federal and State corn borer quarantines.

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CALIFORNIA MAKING SURVEY  
OF DAIRY FACTORIES.

A study of production costs in dairy manufacturing plants in California is being made by the Giannini Foundation of Agricultural Economics. The investigators will visit a large number of dairy manufacturing establishments, particularly creameries and butter manufacturing plants which produce such by-products as milk powder and casein, to determine costs of manufacture.

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CONSIGNORS SHOULD KEEP  
RECORDS ON PRODUCE SHIPPED.

Virginia shippers of produce to commission merchants for sale on commission are being advised by the Virginia Department of Agriculture to keep accurate records of all such shipments. The Department says: In the investigation of complaints - filed under the terms of the Commission Merchants Law against commission merchants, we find in so many instances the shippers have no reliable dependable records of the weights, number, quality and description of the produce, poultry, etc., consigned.

"This carelessness on the part of shippers makes it very difficult, if not impossible to reach satisfactory conclusions in disposing of such cases. In the case of poultry, for instance; the shipper does not know either the gross or net weight, or even the number of chickens, turkeys, etc., contained in the coop. The shipment in many instances is delivered by truck, it is not weighed at point of origin, there are no transportation records to check against, and as a result, the commission merchants' records are the only ones available for examination. Under such circumstances, the shipper is at a very great disadvantage and there is no way by which we can prove or disapprove the weights reported by the commission merchant."

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VINELAND, NEW JERSEY  
TO HAVE AUCTION.

Plans for an egg auction in the Vineland, New Jersey, area have been practically completed, according to a trade report. The project is backed by poultry men in Gloucester, Salem, Cumberland, Atlantic and Cape May counties.

CLIP THIS FOR YOUR CALENDAR

The Hebrew holidays for the year 5692 with best market days for each are as follows:

Passover, April 2 to 3, 1931. Best market days March 30 and 31. Kinds of poultry most in demand: Fat fowls, ducks, geese and turkeys.

Last Passover, April 8 and 9, 1931. Best market days April 3 to 6. Kinds most in demand: Prime quality of all kinds.

Feast of Weeks, May 22 and 23, 1931. Best market days May 18 to 20. Only normal demand for this holiday.

New Year, September 12 to 13, 1931. Best market days, September 8 to 10. Kinds most in demand: Fine fowls, turkeys, ducks, and geese.

Day of Atonement, September 21, 1931. Best market days, September 16 to 18. Kinds most in demand: All prime stock wanted, especially chickens and roosters.

Feast of Tabernacles, September 26 to 27, 1931. Best market days September 22 to 24. Kinds most in demand: Fine fowls, ducks, and fat geese especially wanted.

Feast of Law, October 4, 1931. Best market days, October 1 to 2. Kinds most in demand: Prime quality of all kinds wanted.

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MARYLAND REPORTS BRITISH  
WANT BARRELLED APPLES.

Apple growers who have been packing some of their fruit in baskets, or hampers, for the British markets have been advised to abandon the innovation and stick to the barrel container, which has long since established its popularity, according to the Maryland Department of Agriculture. The Department says:

"The basket container is unpopular in England. One objection is that the weight of fruit in three baskets is not equal to that in one barrel, and another is that the ocean freight is 35 cents per basket, or \$1.05 on three baskets, compared with 90 cents on one barrel."

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PUBLICATIONS

"Official United States Standards for Grades of Lamb Carcasses, Yearling Mutton, and Mutton Carcasses," has been issued by the U. S. Department of Agriculture.

"Regulations Under the Federal Seed Act," has been issued as Service and Regulatory Announcement 17, by the U. S. Department of Agriculture.

"European Corn-Borer Quarantine - Revision of Regulations," has been issued by the U. S. Department of Agriculture.

"Strawberry Varieties in the United States," is the title of Farmers' Bulletin 1043, revised, just issued by the U. S. Department of Agriculture.

## REDUCING THE SPREAD BETWEEN LIVESTOCK PRODUCER AND CONSUMER

Since the passage of the Agricultural Marketing Act and its administration by the Federal Farm Board in assisting producers to develop large-scale commodity cooperative marketing associations, some apprehension has been expressed by consumers as to whether this is not a means of raising the retail price of farm commodities.

The main purpose of the operation of the different cooperative marketing associations is not only to stabilize the price of their products and insure a fair return for the production, but to supply the consumers with a quality and quantity of such products in attractive form so as to keep them as satisfied customers.

To do this it is necessary that the producers and consumers cooperate on a program of eliminating wasteful methods of distribution and the dissemination of helpful information to both. Due to the highly-specialized distribution system in operation, however, it is impossible for the producers of our major agricultural products to deal directly with the consumer.

Livestock producers are not interested in going into the highly-specialized meat packing, wholesaling or retailing business, but they are interested to the extent that such industries eliminate wasteful handling costs and that they merchandise the products of the firm to the consumer in as efficient a manner as possible. In doing this, such agencies should more quickly reflect a reduction in the price of livestock in reduced meat prices.

Livestock producers, realizing their own individual limitations and the presence of inefficiencies in their methods of production and distribution, are endeavoring to eliminate them through the organization of strong, well-managed cooperative marketing agencies. Now, for the first time, livestock producers have established a National Livestock Marketing Association, which serves both the ranchmen in the West and the feeder in the central and eastern sections through its member agencies.

Through such a marketing system they hope to market livestock in an orderly manner, taking into consideration consumption and demand; standardize livestock grades and sell on basis of grades; eliminate wasteful methods of distribution of livestock; eliminate unnecessary speculation; centralize the control and sale of livestock; keep producers informed as to supply of and demand for livestock and livestock products; aid members in avoiding and controlling surpluses and keep them informed as to changes in market demand; stimulate consumption of meat as a food through cooperation with packers and retailers in advertising campaigns.

The cooperative marketing associations and the Federal Farm Board have no desire other than to help the efficient distributor of agricultural products maintain his place in the industry, realizing that only those who render a satisfactory service can hope to compete under modern business methods. That the packing industry recognizes this trend is evidenced on the one hand by the relocation of packing plants closer to supplies of raw products. This means short hauls of livestock, reduced freight and hauling costs and the manufacture of by-products, such as fertilizer, close to the sections where they are to be used. - C. B. Denman, Federal Farm Board.

"Settlement in Full" for Produce

Three Rivers Growers' Ass'n. v. Pacific Fruit & Produce Co.  
Supreme Court of Washington, Dec. 1930 (294 Pac. 233)

In the lower court judgment was for plaintiff and defendant appeals. Affirmed. The question for determination in this appeal was whether the respondent, Three Rivers Growers' Association, could receive a check from the appellant, Pacific Fruit and Produce Co., in payment of a shipment of strawberries, and cash it and still make claim for an additional amount due on the shipment.

The shipment consisted of 950 crates of berries, shipped on order of the Pacific Fruit and Produce Co., a broker. In remitting for the shipment, the company wrote: "Enclosed herewith is our check for \$3675.00 representing the net returns on A. R. C. 597. We were able to sell 770 at f.o.b. price of \$4.00; 280 we sold at \$2.50 f.o.b. We have deducted from our ten per cent brokerage, of which we have paid our broker in Calgary \$25.00."

The respondent received the letter and check and cashed the check. Some five days thereafter it notified the appellant that it would not accept the payment as a satisfaction in full of the obligation. It is on these facts that the appellant bases its contention that there was an accord and satisfaction. In discussing the question, what constitutes an accord and satisfaction, it is stated that the cases vary so widely in their facts that it is difficult to reach similar conclusions. Certain principles, however, have been announced applicable to the question generally. The general rule is that where a debtor sends a creditor a check for the amount he is willing to pay, and at that time informs the creditor that he intends the check to be considered as full payment, then, by the acceptance and cashing of the check, the creditor agrees to the settlement and cannot thereafter seek additional compensation (cases cited). When remitting, the appellant did not inform the respondent that it intended check to be payment in full nor was the remittance accompanied by any act or declaration which would amount to a condition that the money tendered, if accepted, would be accepted as a satisfaction in full. In conclusion, the court stated:

"The situation closely parallels that presented in *Ingram v. Sauset* where the following language was used: 'The fallacy of appellant's position lies in this: First, whatever Sauset's intention, the check was not offered in full satisfaction of the demand, though respondent thought that Sauset intended or hoped it would be so accepted; no conditions accompanied it, and there was nothing to indicate that it might not, in the event that the payee declined to accept it in full payment, be applied on account, and further negotiations be had as to the remainder of the claim. Second, there is nothing in the record to indicate that respondent accepted the check as full payment'.

"The judgment is affirmed."

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★ MAR 30 1931

U. S. Department of Agriculture

March 25, 1931

Vol. 11, No. 12

### ATLANTIC STATES MARKETING OFFICIALS TO MEET IN WASHINGTON, APRIL 21

The annual meeting of the Atlantic States Division of the National Association of Marketing Officials will be held in Washington, in the conference room of the Bureau of Agricultural Economics, on Tuesday, April 21.

Secretary Sidney A. Edwards, of the Atlantic States Division, reports a lively interest in the forthcoming meeting and expects a large attendance from the Eastern States. The detailed program of the meeting and of topics to be discussed will be announced in these pages as soon as the program has been completed.

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### PRODUCE DEALERS MUST BE LICENSED.

Many prominent members of the fruit and vegetable trade still have the erroneous impression that no dealer is subject to the Perishable Agricultural Commodities Act unless he handles 20 carloads or more per year, according to advices received by the Bureau of Agricultural Economics.

Bureau officials in charge of administering the licensing law state in this connection that "the man who handles one barrel of apples or one bag of potatoes or one hamper of beans from another State on commission must be licensed. The jobber who buys one carload per year or four quarter car loads per year from another State or from a dealer who received them from another State must be licensed."

The 20 carloads provision relates exclusively to retailers. A retailer need not obtain a license unless he buys 20 carloads per year in quantities of a quarter car or more.

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### FARM BOARD TO DISCONTINUE STABILIZATION PURCHASES.

The exact language of the Federal Farm Board in its public statement of March 23 regarding its policy in stabilization purchases of wheat is that "the Federal Farm Board will not authorize The Grain Stabilization Corporation to make stabilization purchases from the 1931 wheat crop. There will be no alteration or change in the policy of the Grain Stabilization Corporation with reference to the 1930 crop."

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ILLINOIS SEES PROSPECT  
OF CHEAPER HORSE POWER.

Continuation of recent changes in the economic situation will cheapen horse power as compared with tractor power, in the opinion of P. E. Johnston, Farm Management Department, Illinois College of Agriculture. This, he says, will operate to keep down production costs.

"One of the chief advantages claimed for tractor power," Mr. Johnston says, "is the saving in man labor, but this certainly will be worth less in 1931 than in the years previous to 1930. Monthly farm wages without board in the north central states decreased from an average of \$51 in January, 1930 to \$42 in January, 1931. Such a drop in man labor costs will minimize the value of economy in the use of man labor, which may be credited to the use of tractor power. Hence, in 1931 tractors will lose some of the advantage which they held prior to 1930."

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MEAT PRODUCTION AND  
CONSUMPTION DECREASED.

Total production and consumption of meats in the United States last year was the smallest since 1922, and per capita consumption of meats was the smallest since 1919, according to the Bureau of Agricultural Economics.

The bureau places total production of dressed meat, not including lard, at 16,394,000,000 pounds in 1930 as compared with 16,803,000,000 pounds in 1929, and 16,295,000,000 pounds in 1922. All of the decrease in 1930 as compared with 1929 was in pork.

The 1930 production of beef was 6,076,000,000 pounds compared with 6,065,000,000 pounds in 1929; veal 833,000,000 pounds against 816,000,000 pounds in 1929; lamb and mutton 820,000,000 pounds against 699,000,000 pounds; and pork 8,665,000,000 pounds against 9,223,000,000 pounds.

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MARKETING PROGRAM TO EXPAND  
NEW ENGLAND TURKEY INDUSTRY.

Recent expansion of the turkey industry in Connecticut is attributed largely to the Connecticut Turkey Marketing Program which has been in operation for two years, the Connecticut Department of Agriculture has announced.

The principal objects of the program are to make available to Connecticut consumers uniformly graded birds of superior quality, to encourage the selling of birds on a dressed weight rather than live weight basis, to develop further the sale of native birds through existing market agencies such as retail stores, and to identify properly Connecticut turkeys in order to reduce the possibility of misrepresentation to the consumer.

The Connecticut Department of Agriculture has available for distribution a summary of the two-year program. This gives the number of turkeys hatched, raised, sold as poult, and the percent of mortality by years. It also gives the distribution by breeds among registered and non-registered producers, the distribution of sales by marketing periods, and the method of marketing.

DRIVE AGAINST \$5,000,000 WHEAT  
DISEASE ON COUNTY BASIS.

As part of a concerted effort to reduce losses from stinking smut of wheat which last year amounted to \$5,000,000 in the spring-wheat area, a strenuous attempt to clean up the infection in a single county is being made this year in Minnesota, through the cooperation of the State College of Agriculture the Northwest Crop Improvement Association, and the U. S. Department of Agriculture. Agricultural workers in Montana, North Dakota, and South Dakota are prepared to use this means of combating smut should it prove successful.

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NEW YORK MILK CONSUMPTION  
SURVEY RESULTS ANNOUNCED.

Average per capita consumption of milk in New York City was found to be .98 pint per day, according to a survey made last September by the New York City Department of Public Health in cooperation with the White House Conference on Child Health. The results indicated a marked increase in the per capita consumption in New York City over that during the period from 1910-14 when consumption stood at .55 pint, as well as that for 1926 when the figure was .80 pint.

Reports from 13,000 families were obtained. Families having one or two children under six years of age and which average five or less in number of individuals per household were found to be consuming about 1 pint of milk per person, while those having 4 or 5 children per family and which average in number of individuals per household 8 or more, were found to be consuming about 1/5 pint less per day per person. Twenty-eight per cent of the 13,000 families bought milk in loose form.

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CALIFORNIA SAYS FRUIT JUICES  
MAY LEAD AS FROZEN BY-PRODUCTS

Fruit juices may take the lead as a by-product of California orchards, in the opinion of G. L. Marsh, laboratory assistant, and M. A. Joslyn, graduate student, in the University of California fruit products division of the College of Agriculture.

The investigators believe "that the preservation of fruit juices, especially citrus juices, by freezing will shortly develop into a leading industry in California. Commercial development of the preservation of avocado pulp and persimmon pulp by freezing is rapidly increasing in California. The syrup pack method of packing fruits such as apricots and peaches has not solved all of the difficulties; nevertheless, a fairly satisfactory product for a frozen dessert can be packed."

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TENTATIVE STANDARDS for market classes and grades of kips and calfskins have been issued by the Bureau of Agricultural Economics. The grades have been drawn to conform to approved trading practices in the livestock, meat, hide, and leather industries.

SENTENCES IMPOSED UNDER  
PRODUCE AGENCY ACT.

A defendant who recently plead guilty as charged in three informations filed under the provisions of the Produce Agency Act was sentenced to serve four months in the New Orleans House of Detention in each case, the sentences to run concurrently. Two of these cases involved carlot consignments of watermelons from Florida, for which fraudulent accounts of sale were rendered, and the third case involved a carlot consignment of cabbage from Wisconsin, for which no accounting or payment was made.

On March 10 last, a defendant appeared before the United States District Court, in Baltimore, and plead guilty on the two counts in an information filed under the provisions of the Produce Agency Act. He introduced three character witnesses, and presented evidence to show that he had made full restitution to the consignors. After hearing the testimony, the Court sentenced the defendant to pay a fine of \$100 on each of the two counts. The case involved two carlot consignments of watermelons from South Carolina, for which fraudulent accountings had been rendered.

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ILLINOIS SAYS PRODUCTION  
COST FIGURES MAY "MISLEAD".

Cost figures are misleading as to agricultural conditions in general and as to what farmers can expect on their own farms unless the figures are computed so that the product involved carries a fair share of all costs, according to H.C.M. Case, Illinois College of Agriculture.

The best basis for getting reliable cost data for the production of any farm product, Mr. Case says, is a record of all costs of the entire farm property distributed to each product. "Charges for the use of the land, for instance, while one of the largest costs from the standpoint either of farm owner or tenant, frequently are disregarded in presenting cost data. An interest charge on a fair value of the land and buildings comparable to the interest rate on mortgages is justified. The cost of producing a crop, as an owner-operator might figure costs, should include interest on the land, which he would receive as rent if he rented the farm to another. A tenant should charge all of his own costs against his share of the crop, since the share going to the landowner represents a return for the use of the capital invested in the farm.

"In general it is unfair to present costs of a single product when a rather complete farm record has not been obtained for the entire business"

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CALIFORNIA INCOME STUDIES  
SHOW PROFITS ON FARMS.

Enterprise efficiency studies by L. W. Fluharty, California Extension Service, indicate that "almonds in Butte County showed an average profit of \$12.03 an acre, but some producers made as much as \$31.84 while others lost \$27.40. Nobody made money on pears, but some lost only \$5.44 an acre while others lost \$106.46. Some poultrymen in Santa Cruz County made \$1.15 per hen profit; others lost 27 cents. The greatest factor causing the difference between profit and loss is that of yield."

Statute Regulating the Grading of Eggs Sold for Human Consumption Relates to Sales by Wholesalers as well as Retailers.

People v. Wilson & Co. Inc.

Supreme Court, Oneida Co., N. Y., November, 1930 (246 N.Y.S.111)

This is an action by the people against Wilson & Co. On defendant's motion to dismiss the complaint on the ground that it failed to state facts sufficient to constitute a cause of action. Motion denied.

The complaint charges defendant with delivering to a retailer in the city of Utica who sold eggs to his customers for human consumption, a crate of eggs in which were packed cartons containing one dozen eggs each and that each carton was marked "Clear Brook Eggs Grade A Refrigerator;" that defendant also delivered an invoice upon which it appeared that the eggs were sold as "Grade A Refrigerator;" that practically all of said eggs were not of the grade marked on cartons but were an inferior grade, not uniform in size and under weight, and were not Grade A eggs, as determined by the Rules and Regulations of the Commissioner of the Department of Agriculture and Markets, promulgated under Article 13-A of the Agriculture and Markets Law of New York State; and that defendant therefore violated the laws of the State of New York and is liable in the sum of \$100 for which amount judgement is demanded.

Defendant admitted delivery of the eggs marked as indicated above, but denied all other allegations of the complaint. He then moved for dismissal of the complaint, asserting that the same did not state facts sufficient to constitute a cause of action because Article 13 applies to sales of eggs by retailers to consumers and not to sales from commission merchants and wholesalers to retailers. Also if Article 13-A applies to sales of eggs from commission merchants and wholesalers to retailers, it is unconstitutional and invalid.

Article 13-A of the Agriculture and Markets Law provides that from and after the establishment of specific grades or standards of quality and size of eggs by the Commissioner of Agriculture and Markets, eggs for human consumption shall not be sold except by the grades or standards so established. Such establishment of grades is authorized by the law (Chapter 409, Laws of 1927, Article 13-A) which provides that the grades or standards of quality established by the Commissioner shall not permit the sale of any eggs for human consumption of poorer quality than permitted by the lowest grade or standard for table use established by the U. S. Secretary of Agriculture.

In August, 1927 the Commissioner of Agriculture and Markets, pursuant to above law, established and promulgated rules and regulations governing the sale of eggs to consumers in New York State. The statute defines the term "consumer" to mean "any person purchasing eggs for his or her own family use or consumption, or a restaurant, hotel, boarding house, bakery or other institution purchasing eggs for serving to guests

or patrons, or for its or their use in cooking and baking."

In its discussion of the case the court said: "The statute purports to regulate the marketing of eggs from the producer down to the consumer. There is a plain distinction between the term 'consumer' and the expression 'human consumption' as used in said statute. In this respect it is double-barreled. The statute, and the rules established thereunder by the commissioner, cover the whole field of marketing of eggs from the producer down to the consumer. The most important step, in the marketing of eggs, for the protection of the consumer, is to see that they are properly graded and labeled according to the grades. It is a well-known fact that the average retail store is not equipped to candle, grade, and label eggs delivered to them for sale to their customers, and that the retailer must rely largely upon the middleman, or wholesaler, for the proper grading and labeling of such eggs. To hold otherwise would place the burden upon the retailer of determining whether eggs delivered to him, to be sold immediately to his customers, have been properly candled, graded, and labeled. Such a construction would defeat the beneficent purpose of the statute."

It was further stated that if the charge in the complaint could be established that the eggs were not of the grade as marked on the cartons but were inferior and did not comply with the grade established by the Commissioner of Agriculture and Markets, it would constitute a violation of Article 13 of the Agriculture and Markets Law. In considering defendant's contention that Article 13-A relates entirely to consumers, the court held this contention untenable as it fails to distinguish between "consumer" and the term "for human consumption," that manifestly the eggs were sold by defendant for human consumption, and that the legislature very wisely anticipated that in order to protect the consumer against fraud, the commission merchant or wholesaler should be compelled to candle, grade, and label eggs before they reached the retailer, and in cases where the eggs were not candled and graded, although sold by the producer, to require the furnishing of an invoice bearing the notice: "These eggs have not been candled," and that before resale they must either be candled and graded or sold under the designation "Grade C." Furthermore, to adopt the contention of defendant that the statute can be violated only by the retailer who sells to the consumer directly, would be to thwart the very purpose of the legislature in enacting the statute. Concluding, "The statute is wholesome and reasonable provision for the protection of the public health and does not violate any of the constitutional rights of the defendant."

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OWNER OF LIVESTOCK ON  
HIGHWAY NOT LIABLE FOR DAMAGES.

The owner of livestock running at large on the public highway would not be held liable for resulting damages where the owner uses reasonable care in preventing such stock from running at large, according to the provisions of a bill introduced recently in the Illinois Legislature.

STATE AND FEDERAL

# MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

APR 6 1931

April 1, 1931

Vol. 11, No. 13.

## NEW ENGLAND GETS COOPERATIVE SHIPPING POINT INSPECTION.

A cooperative agreement has been signed for Federal-State shipping point inspection service the coming season in Maine, New Hampshire, Vermont, Massachusetts and Connecticut. The work will apply to fruits (principally apples) and vegetables, except Maine potatoes, which are handled under a separate agreement. The new service will begin about September 1, when apples start to move from New England. This leaves only four States in the United States in which there are no cooperative agreements for Federal-State inspection at shipping points.

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## FRUITS AND VEGETABLES MARKETING AGENCY PLANNED.

The Federal Farm Board announced on March 26 that during April several sectional conferences will be held to discuss plans for organizing a cooperative terminal marketing agency for the sale of miscellaneous fruits and vegetables. A questionnaire distributed by the Farm Board brought responses from more than 160 different fruit and vegetable cooperative organizations that favor the establishment of such a terminal organization. Sectional conferences will be held at Jacksonville, Fla., on April 3; St. Louis, Mo., April 6, and Washington, D.C., April 8.

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## NORTH DAKOTA SAYS HARVESTER-STACKER CUTS COSTS.

North Dakota Agricultural College has announced that a detailed research study shows that the harvester-stacker method of harvesting grain saves time, twine and labor, and consequently reduces the cost of harvesting as compared with the binder method. The harvester-stacker method of harvesting grain is accomplished by machines that cut the grain and elevate it to a tank where a stack is built and deposited on the ground in about 1,000 pound stacks. The results of the study have been published by the college in Bulletin 245, copies of which may be obtained from the college.

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AUTOMATIC VENDING MACHINES, electrically refrigerated, which will deliver a 5¢ bottle of milk for 10¢ and repay 5¢ when the bottle is returned are to be located in factory districts by a Philadelphia dairy organization. A companion machine will sell "hot dogs."

NEW YORK MILK CONSUMPTION  
CONFERENCE DRAWS INTEREST.

Seventy-five persons representing producers of dairy products and various branches of the dairy industry attended the quarterly meeting held on March 20 by the New York Food Marketing Research Council, at which the subject was "Milk Consumption in the Metropolitan New York Area." The following excerpts are from a report of the meeting, by Earl R. French:

"Dr. Charles B. Howe, formerly of the New Jersey State Agricultural Experiment Station, and now with the Federal Farm Board, stated that the results of a consumer demand for milk in New Jersey reveal that among the 2100 families in the metropolitan New Jersey District, which were embraced in the sample, the average per capita consumption of milk reached a maximum at about .75 to .85 pint per person per day. Families having incomes above \$400 annually per person in the household were shown to be consuming about the same amount of milk irrespective of the size of the income. As the income increases, there is a persistent and rather marked shift from Grade B to Grade A. In the families having children, Grade A milk was most preferred.

"Dr. Howe said that a most promising effort at increasing consumption would be among those families having incomes of less than \$400 per person, rather than among the higher income classes. Consumption at the school is shown to result in a net increase in family consumption."

Harry A. Ross of Bordens Farm Products Company in a paper "An Analysis of the New York Market" concluded with the statement that "it appears obvious that the industrial depression has had some effect in decreasing consumption of milk and cream. The outstanding fact, however, is the slight extent to which consumption has been affected. This again emphasizes the fact that consumers recognize the cheapness and importance of dairy products in the diet."

Fred H. Sexauer of the Dairymen's League reported that dairymen in the New York Milk Shed "are adjusting their production in order that there may be no extreme shortage of milk for consumers in the Metropolitan Market, and in order that extreme surpluses may not cause such depressed prices that it becomes economically impossible for the producer to maintain quality."

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WISCONSIN REPORTS ACTIVITY  
IN COOPERATIVE MARKETING.

Unusual activity on the part of Wisconsin farmers in organizing for cooperative marketing is reported by Marvin A. Schaars of the Wisconsin College of Agriculture. Much of this activity, according to Mr. Schaars, is an outgrowth of the very successful cooperative marketing institutes which have been sponsored by the Department of Farmers' Institutes the last several years. Much of it is due, also, he says, to the active extension program of the Department of Agricultural Economics and the Department of Agriculture and Markets. New cooperative organizations have been formed to market livestock, dairy products, poultry, canning peas, fruits, and potatoes, and many existing organizations are being strengthened.

AGRICULTURAL COMMISSIONERS  
FORM COTTON ASSOCIATION.

"The Association for the Increased Use of Cotton," was organized by Southern agricultural commissioners meeting at Atlanta, Ga., March 23. Harry D. Wilson, Commissioner of Agriculture from Louisiana, was elected President of the Association. A nation-wide membership campaign is to be launched, at a membership fee of \$1 per person.

Competition of jute with cotton was the chief topic of discussion at the Atlanta meeting. Commissioner Wilson stated that "last year more than \$158,000,000 worth of jute was imported into the United States" in competition with cotton. He exhibited samples of cotton bagging and cotton fabrics for awnings and curtains.

Representatives of the jute industry told the commissioners that farmers "made about 26 cents per bale on cotton by buying jute covering instead of cotton," but the commissioners suggested that the use of cotton baling instead of jute would increase the consumption of cotton and therefore the price. The association plans to campaign for a "prohibitive tariff on jute."

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AGRICULTURAL ECONOMICS  
SERVICES TO BE INCREASED.

Expansion of several lines of agricultural economic research and service by the Bureau of Agricultural Economics was authorized by the Seventy-first Congress in Federal appropriations beginning July 1, this year.

Provision was made for increasing economic research in farm taxation and farm mortgage finance, and for studying trends of prices, production, and consumption in the marketing and distribution of farm products. Service activities dealing with market inspection of farm products, and with the collection and dissemination of agricultural market news are to be increased.

The bureau has been authorized by Congress to enlarge work on the inspection of fruits and vegetables, to increase the grading service on poultry, beans, and meats, and to establish a market inspection service on canned fruits and vegetables. The bureau has been authorized to expand market news service on livestock and meats west of the Continental Divide, to establish a livestock market news service at Louisville, Kentucky, to extend the livestock leased wire market news service to Ogden, Utah, and to inaugurate livestock market news service at Casper, Wyoming.

Congress has authorized the expansion of market news service on fruits and vegetables in important producing sections, and the establishment of market news service on citrus fruit in the Rio Grande Valley of Texas. Provision has been made for additional statistical work in connection with market news on dairy and poultry products, and also in connection with market news on hay, feed, and seed. Inauguration of a market news service on tobacco was also provided for by the last Congress.

Other additions to the bureau's activities during the coming year include the employment of additional supervisors in the Middle West in connection with administration of the Grain Standards Act, and expansion of the staff of inspectors to meet increased demands for the inspection and licensing of warehouses under the U. S. Warehouse Act.

FARMERS MAKE EARLY START  
WITH SPRING FIELD WORK.

Farm field work this season is progressing faster than usual, according to the Bureau of Agricultural Economics in its April 1 report on the farm situation. The bureau says that "oats are practically all sown, cotton planting is going forward, corn planting is working up into the Kansas latitude, the Dakotas are sowing spring wheat, potatoes are in ground up through the Middle States, and fruit trees are blooming in the central valleys."

In an analysis of recent planting intentions reports the bureau points out that farmers generally are planning to plant substantially larger acreages of feed grains, potatoes, sweetpotatoes, and peanuts than were harvested last season, but they are planning smaller acreages of spring wheat, flaxseed, rice, and beans. The reports show intentions to cut a larger acreage of hay in the South and West and a slightly smaller acreage in the North Central States.

An advance in the general level of prices of farm products from February 15 to March 15 is reported by the bureau. The increase was only 1 point in the bureau's index, but even this slight rise is considered encouraging after six months of steadily declining prices. The bureau's index of farm prices on March 15 was 91 per cent of the pre-war level, compared with 126 per cent on March 15, 1930.

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NEW JERSEY COMMITTEE  
REPORTS MARKET NEEDS.

An exhaustive study of markets and particularly New Jersey's need for market facilities in the vicinity of Newark is embodied in a recent report to the Legislature by the State Committee to Investigate Public Markets. The report represents investigational work carried on by the committee since its organization in December 1929, and includes a plan, based on its findings, for the development of terminal market facilities.

Putting the findings of the committee to immediate practical use, farmers interested in Newark as a market organized the Newark Farmers' Market, Inc., and took steps to establish themselves on a 9.5 acre site in the island section of Newark. A market is expected to be in operation on this site by May 1 this year.

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MEAT GRADING SERVICE  
CONTINUES TO INCREASE.

More than 34,000,000 pounds of beef was graded and stamped for quality in the last six months of 1930, as compared with 22,500,000 pounds in the same period in 1929, according to the Bureau of Agricultural Economics. This increase, say bureau officials, is evidence of a widespread consumer demand for high quality beef, and should stimulate improvement in livestock farm management methods. The beef is graded and stamped so that each retail cut carries the Government grade designation.

PUBLICATIONSB.A.E. Mimeographs:

"Estimated Numbers of Apple Trees by Varieties and Ages in Commercial Orchards in Oregon," January 1, 1928.

"Marketing Eastern Shore Potatoes, 1930 Season," by V.H. Nicholson.

"Farm Credit in the South," by David L. Wickens.

"Foreign Trade of the United States in Rice and Rice Products, 1790 to 1930," by Caroline G. Gries.

"The Texas Cotton Growers Finance Corporation."

"Statistics and Charts of the Poultry and Egg Industry," by E. R. Johnson.

"Legislative Aid to Agriculture in Foreign Countries," by Asher Hobson.

"A Changing Farm Life," by C. J. Galpin.

"Factors Related to Production, Prices, and Acreage of Potatoes in Maine," by L. H. Bean.

"Statistics of Meat Production, Consumption and Foreign Trade of the United States, 1900 to 1930."

"Marketing Southeastern Watermelons, 1930 Season," by R. Maynard Peterson.

"Marketing North Carolina White Potatoes, 1930 Season," by R. E. Keller.

"Supplement to the Agricultural Outlook for 1931."

"The Feed Situation," radio talk by Floyd J. Hosking, March 4.

"The Price Situation," radio talk by C. M. Purves, March 16.

"The Sheep Situation," radio talk by C. L. Harlan, March 11.

"March Hog Markets," radio talk by C. A. Burmeister, March 11.

"How Much Grain on Farms," by W. F. Callander, March 10.

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NEW JERSEY SAYS GRADING  
PROFITABLE TO GROWERS.

Utilization by New Jersey growers of better foreign apple markets developed through increasing use of standard grades and packs, in the marketing season just ending, added about \$200,000 to their incomes, according to the New Jersey Department of Agriculture.

A total of approximately 125,000 bushels of the crop were graded under supervision of the department and exported, "relieving the domestic market considerably and building up a better demand for New Jersey apples." The volume of fruits and vegetables inspected totaled nearly 1,500 carloads.

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S. A. ROHWER has been appointed assistant chief of the Federal Bureau of Entomology. Mr. Rohwer has been assistant chief of the Plant Quarantine and Control Administration.

EGG PRODUCTION per farm flock the first three months of this year increased markedly over the corresponding period a year ago, in spite of a sharp reduction in the number of hens and pullets of laying age. The heavy layings are attributed to the open winter.

## SHIPMENT OF AMERICAN APPLES IN BUSHEL BASKETS

By Fred A. Motz, Fruit Specialist in Europe,  
Bureau of Agricultural Economics.

There has been a phenomenal growth this season in the shipment of American fruit to European markets in bushel baskets.

The old style round-bottom basket has been observed on numerous occasions on both the United Kingdom and continental markets. Invariably the package arrives crushed, badly twisted and out of shape, with staves splintered. This type of package has no possibilities for export use and should be eliminated from the field as rapidly as possible.

The large percentage of shipments have been received packed in the straight-sided, continuous-stave type basket. The containers landed in varying degrees of condition, depending perhaps on how the packages were handled, how loaded and how high they were stacked. In case of small shipments, their arrival was generally satisfactory, but, in case of heavy shipments, there was more or less breakage, considerable twisting of the package and a large percentage of the fruit bruised. The package appears to be too frail, the sides are not sufficiently rigid to withstand the weight of the stack. There is also more or less bruising of the fruit.

The straight-sided, raised, fabricated bottom tub, offers the best possibilities of any of the packages mentioned. Appreciable quantities were observed standing alongside, or in the midst of, other types and their generally satisfactory appearance is outstanding. They went through with a minimum amount of breakage and seemed to be constructed more substantially and of heavier material, which enabled them to withstand the treatment to which packages were noticed with solid bottoms, but this package seems to have been designed especially for export use. It stands up well under test and its use should be encouraged.

The loose or removable bottom type compares favorably with the foregoing type, being of similar construction and able to stand up under ocean travel. The flat surface of the face, however, giving it the appearance of being slack, as compared with the bulge secured by any of the packing devices, creates an unfavorable impression in the trade. Heavy packs, or packs showing a heavy bulge, are becoming more popular and give the impression of being better filled.

Growers and shippers using the basket for export purposes should insist on the heavier type of package, preferably one having straight sides with a raised bottom. Furthermore, additional attention should be paid to strapping, also the way hooks are placed in fastening down the covers and the way in which handles are secured to the rims. In many cases the handles are not sufficiently clinched, the sharp ends protruding, thus puncturing the fruit, which causes decay and unsightly appearance.

There is no question but that the basket has possibilities. However, the degree of success which may result will be dependent largely upon the package itself and the improvement of certain minor details, such as those mentioned.

A certain quantity of fruit has been shipped from New England in the Massachusetts box, this season. This package is referred to as a "crate" and it is not altogether pleasing to the trade. Better results might be obtained by New England growers, who prefer boxes, to use the standard-size Northwest box.

STATE AND FEDERAL

# MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

★ APR 13 1931 ★

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

April 8, 1931

Vol. 11, No. 14

## OREGON TO ESTABLISH DEPARTMENT OF AGRICULTURE.

A State Department of Agriculture will be established in Oregon on July 1 this year, under authority of the Oregon Legislature. The Act creates a Department of Agriculture through consolidation of existing boards and commissions.

There will be five divisions in the Department: Administration, Plant Industry, Animal Industry, Food and Dairies, and Markets, Grades, and Standards. The Act also creates a State Board of Agriculture consisting of seven members who shall be selected to represent horticulture, dairying, animal industry other than dairying, poultry industry, field crops, market gardening, agricultural cooperative marketing agencies.

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## INTERNATIONAL COTTON STANDARDS CONFERENCE TO MEET NEXT MONTH.

The International Universal Cotton Standards Conference of 1931, will be held at the Department of Agriculture in Washington, D.C., on May 9. The universal cotton standard agreements between the department and the nine leading cotton exchanges and associations of Europe provide for biennial meetings in Washington for the purpose of examining and approving forty or more sets of copies of the original universal standards, and additional sets that may be required for the department and the associations during the two-year period beginning on August 1 following each meeting.

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## DELEGATES TO WORLD DAIRY CONGRESS ARE APPOINTED.

Ten delegates have been appointed by Secretary Hyde to represent the United States at the Ninth International Dairy Congress to be held at Copenhagen, Denmark, July 14-17. The Congress will meet in the Danish House of Parliament, under the patronage of King Christian X.

The American delegates are: O. E. Reed, chief, Bureau of Dairy Industry; Nils A. Olsen, chief, Bureau of Agricultural Economics; R. R. Graves, Bureau of Dairy Industry; Dr. C. H. Eckles, University of Minnesota; Prof. M. Mortensen, Iowa State College of Agriculture; Dr. J. M. Sherman, Cornell University; C. E. Gray, president, Golden States Milk Products Company; O. F. Hunziker, director of research, Blue Valley Creamery Butter Company; Dr. E. V. McCollum, Johns Hopkins University, and C. L. Hill, chairman, Wisconsin State Department of Agriculture.

U. S. Dept. of Agriculture Library  
Attn., Miss Trolinger,  
4 K  
Washington, D. C.

LONG DISTANCE PRODUCE  
TRUCK HAULS IN WEST.

A fleet of five motor trucks is to be used later in the season to haul produce from Los Angeles, California, to Seattle, Washington, on a schedule of 60-hours running time. The Seattle trade will experiment also with bringing in California strawberries by truck.

A motor-truck load of asparagus from Sacramento, California, appeared recently on the Seattle market, the haul being approximately 900 miles. The driving time was 36 hours. The cost of delivery by motor truck was \$2 per cwt. as compared with an express rate of \$2.89.

The trucks to be used in this long-distance service are equipped to provide refrigeration with "Dry-Ice." It is said that about 75 pounds of this substance, under local conditions, maintain a temperature below 50 degrees for most vegetables. Each truck has a capacity of about 360 pyramid crates. The usual carlot loading in the Sacramento district is about 640 crates.

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HEARING TO BE HELD  
ON CANNED PRODUCTS STANDARDS.

A hearing under the McNary-Mapes amendment to the Federal food and drugs act, on tentative standards for canned tomatoes, cherries, and apricots, is to be held at the Department of Agriculture in Washington, D.C., April 13. A supplemental hearing will be held on April 14 in San Francisco, California. Persons who may be unable to attend either of these meetings are invited to submit written comments on the standards, to the Food and Drug Administration, Washington, D.C., not later than April 13.

Following the hearings, final consideration will be given by the department to the formulation of the standards in completed form and they will then be promulgated under the authority of the Secretary of Agriculture. A period of 90 days, provided for by the amendment, will elapse before these standards become legally effective.

The Secretary announced official standards for canned peas, peaches, and pears last February. Under the law these standards will be effective May 18.

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ILLINOIS FINDS LARGE  
QUANTITIES OF DEAD SEED CORN.

A high percentage of badly diseased and dead seed corn has been discovered at corn culling meetings which the college recently has held in different parts of Illinois, according to the Illinois College of Agriculture. The quantity of dead seed is said to be particularly apparent in northern and northwestern Illinois, but diseased seed of low vigor extends over most of the central part of the State. The college says that the danger lies in the fact that farmers generally are not aware of the condition, most farmers being confident that their grain is of high quality because of the favorable weather during the past harvesting season.

CONNECTICUT REPORTS ON  
SEED INSPECTION SERVICE.

A detailed report of the analyses of samples collected under the Connecticut Seed Law for 1930 has been issued by the Connecticut Department of Agriculture. This law went into effect November 1, 1929. It requires that all agricultural seed sold in Connecticut must be labeled as to its name, purity, weed content and other particulars. The law does not apply to tree, vegetable or flower seeds.

Two hundred and eighty samples of unmixed seeds representing 38 different kinds and varieties were collected by the department. These samples showed that 77.25 per cent was equal to or above the guarantee in respect to germination, and 87.54 per cent was in the same category as to purity. Analyses of lawn mixtures showed that several lots contained too much timothy for a good lawn mixture, and some lots did not contain the seed called for on the label.

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MARKET NEWS SERVICE  
ON TOBACCO IS PLANNED.

Plans for a market news service on tobacco are being developed by the Bureau of Agricultural Economics, the arrangements to be completed by the time the 1931 marketing season opens in Georgia and Florida about August 1.

Tentative plans including the setting up of temporary field offices in selected markets, to be known as "key markets," one in each of the important tobacco districts where tobacco is sold at auction. The selection of "key markets" will probably be from among those where the Federal-State tobacco grading service is in effect, but methods will be adopted for including in reports information from other markets in the respective districts. Daily, weekly, and monthly reports will be issued. Consideration is being given the use of special reporters to furnish weekly comments on the cigar tobacco districts.

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FOREIGN DEMAND SLOW  
WITH CONFIDENT UNDERTONE.

The more confident undertone noted in European markets last month has continued to date, but there is no evidence of a real upturn in the foreign demand for American agricultural products, according to the Foreign Agricultural Service of the Bureau of Agricultural Economics.

The Service reports that according to its field agents and others unemployment continues at high levels, with increases noted in some countries. The European textile industry remains generally dull, with cotton consumption at relatively low levels. There is little interest in American wheat and pork, but fruit and tobacco appear to be in fairly good demand. Some additional inquiry for American cotton in the Orient is reported but competition is keen in Oriental markets for wheat and flour. Tobacco is reported to continue in fair request in China.

CONNECTICUT REPORTSINCREASED POTATO YIELDS.

While Connecticut has decreased her potato acreage in the last twenty years, the total yield has increased considerably, as shown in an analysis of statistics by the Connecticut Department of Agriculture. The increased production is attributed largely to the use of good seed, more and better fertilizer, a more intensive system of spraying, and the selection of suitable land.

Potato production in Connecticut is reported to be shifting toward a specialized industry of individual units of from 20 to 100 acres. This change from general farming is said to lend itself to a more economical use of tractor-driven machines and the use of proper storage facilities. The average yield of potatoes from 1921 to 1930 was 137 bushels as compared with 100 bushels per acre on the average from 1911 to 1920.

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IOWA GIVES RESULTS OF  
DAIRY FEED STUDIES.

Every \$5 invested in feed for good dairy cows results in an increase in production of 50 pounds of butterfat and an increase in income above feed costs of \$15, as shown by a study of the records of 21,000 cows in Iowa Cow Testing Associations, by Floyd Arnold, extension specialist in dairy husbandry, Iowa State College.

The study also indicates that production is closely related to the amount of grain fed. Cost of roughage varies from \$30 for the cow producing 100 pounds butterfat to \$43 in the case of a cow producing 600 pounds. The cost of grain, however, varies from \$16 in the first case to \$73 in the second. Analysis of the records shows that for each dollar spent for grain there is an increase of 8 to 10 pounds in the cow's production.

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NEW JERSEY DEPARTMENT  
REPORTS ON YEAR'S WORK.

The operations of the New Jersey Bureau of Markets and the services rendered in this field by the New Jersey Department of Agriculture have been almost completely reorganized during the past five years to meet changing conditions, according to William B. Duryee, secretary of that department, in his annual report for the year ended June 30, 1930.

Mr. Duryee discusses the development of market news services, the establishment of grades, poultry certification, auction markets, and milk marketing. In more detail, W. W. Oley, chief, Bureau of Markets, describes the progress of work in milk marketing, poultry standardization and marketing, market news, fruit and vegetable standardization, and marketing organization and supervision. Copies of the report may be obtained from the New Jersey Department of Agriculture, Trenton, New Jersey.

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UNITED STATES STANDARDS FOR BROOMCORN, effective March 1, 1931, have been issued by the Bureau of Agricultural Economics.

BRIEFS

EXTENSION WORKERS of Iowa State College are in annual session this week, at Ames, to confer on better methods of extension teaching, organization problems, and other matters concerning extension work.

WORLD WOOL PRODUCTION in 18 countries which supply about four-fifths of the world's wool, is estimated at 2,708,000,000 pounds compared with 2,674,000,000 pounds in 1929, and with 2,728,000,000 pounds in 1928.

EARLIER AND SLIGHTLY HEAVIER applications of nitrogen fertilizer this spring to stimulate fruit buds in orchards affected by last year's drought are recommended by the U. S. Department of Agriculture.

THE NATIONWIDE CAMPAIGN against soil erosion is now taking definite form in the practical erosion-prevention work of regional erosion stations which have been established in many areas, says the Bureau of Chemistry and Soils.

HIGH-GRADE COTTAGE CHEESE offers a profitable outlet for skim milk, according to the Federal Bureau of Dairy Industry which has developed methods that consistently produce a high quality product.

MANY IOWA WOOL PRODUCERS will again market their wool in cooperation with the Federal Farm Board under the plan established last year, according to Iowa State College.

PLENTIFUL SUPPLIES of all dairy products during the summer months are in prospect if production should be maintained at its present rate, according to the Bureau of Agricultural Economics. The bureau sees an encouraging feature of the situation in the apparent increases in consumption which have resulted from low prices.

BLIGHT-KILLED CHESTNUT TREES are well suited to manufacture of shipping containers, and the lower grades are recommended for this use by the U. S. Forest Service.

A COLLECTION of about 4,000 lots of soybean seed and more than 300 samples of products made from soybeans have been obtained from the Orient by Wm. J. Morse of the U. S. Department of Agriculture.

THE VARIABLE COMPOSITION OF COTTON SEED is shown in a mimeographed report of a study on that subject, made by G. S. Meloy of the Bureau of Agricultural Economics.

A REPORT OF THE HIGHTSTOWN (NEW JERSEY) POTATO OFFICE and a summary of the New Jersey Potato Season in 1930 have been issued in a mimeographed statement by the New Jersey Department of Agriculture, Trenton, New Jersey.

SMUTTY WHEAT, Report No. 12, is the title of a quarterly summary compiled from monthly reports of grain graded by inspectors licensed under the U. S. Grain Standards Act, issued by the United States Department of Agriculture. The summary covers the period July, August, and September, 1930.

PUBLICATIONS

"TRENTON'S MUNICIPAL FARMERS' MARKETS," 1930 annual report, has been issued by the Department of Public Affairs, Trenton, N.J.

"THE HARVESTER-STACKER METHOD OF HARVESTING GRAIN IN NORTH DAKOTA," has been issued as Bulletin 245 by the North Dakota Agricultural College, Fargo, N.D.

"GROWING GREENHOUSE TOMATOES," is the title of Bulletin 418 issued by the Wisconsin Agricultural Experiment Station, Madison, Wisc.

"FORCES BUILDING FARM LIFE" has been issued as Circular 242 by the Wisconsin College of Agriculture. This publication is the annual report of the Extension Director.

"BETTER FARMING FOR NEBRASKA," a publication which is a report of what the College of Agriculture of the University of Nebraska is doing for Nebraska agriculture, has been issued by that college.

"THE FOREIGN TYPE CHEESE INDUSTRY IN WISCONSIN," is described in research bulletin 103, issued by the Wisconsin Agricultural Experiment Station.

"LIST OF PUBLICATIONS AND CONTRIBUTIONS TO MARCH, 1931," has been issued by the Food Research Institute, Stanford University, California.

"SOME EVIDENCES OF AGRICULTURAL PROGRESS," an address by Dean Mumford, in which recent advances in agricultural production, financing, and marketing are discussed, has been issued as Circular 365 by the Illinois College of Agriculture.

"COTTON MARKETING STUDIES, 1925-1930," has been issued as Bulletin 270 by the South Carolina Experiment Station, Clemson College, S.C.

"PIEDMONT FARM MANAGEMENT FOR 1931," is the title of Circular 46, issued by South Carolina Experiment Station.

"THE FARM BOARD, Its General Policies and Work in Helping Agriculture," has been issued as Circular 3 by the Federal Farm Board. This circular is a radio talk by James C. Stone, Chairman, on March 14, 1931.

"PRICES OF FARM PRODUCTS IN 1930," has been issued as Bulletin 365 by Illinois College of Agriculture, Urbana, Ill. This bulletin reviews briefly the situation with respect to agricultural products during the past year.

U. S. Department of Agriculture publications:

"Husker-Shredders in Corn-Borer Control," Farmers Bulletin 1662.

"Oats in the Northeastern States," Farmers Bulletin 1659.

"Cold-Storage Holdings, Year Ended December 31, 1929," Statistical Bulletin 33.

"Measuring Hay in Stacks," Leaflet 72.

"Farm Water Power," Farmers Bulletin 1658.

STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

APR 21 1931

April 15, 1931

Vol. 11, No. 15

PROGRAM  
1931 Annual Meeting  
ATLANTIC STATES DIVISION,  
NATIONAL ASSOCIATION OF MARKETING OFFICIALS  
at Washington, D.C., April 21.

Eighteen eastern States will be represented at the forthcoming annual meeting of the Atlantic States Division of the National Association of Marketing Officials, to be held in the conference room of the Bureau of Agricultural Economics at Washington, D. C., April 21. The States are: Connecticut, Delaware, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, and West Virginia.

The program arranged by L. A. Bevan, chairman, and S. A. Edwards, secretary, will include discussions by Federal and State marketing specialists on current agricultural marketing problems. Operation problems of State-Federal Shipping point inspection will be discussed by R. C. Butner, Bureau of Agricultural Economics, and the progress made under the Perishable Agricultural Commodities Act and supplementary State legislation having a bearing on this Act, by Wells A. Sherman, also of the Bureau of Agricultural Economics.

Changes in consumers' buying habits is the topic assigned to Dr. A. E. Albrecht, New York Department of Agriculture and Markets. The G.L.F. Plan for Community Service Agencies will be discussed by H. Deane Phillips, New York State Bureau of Markets, and the effect of retail egg grading laws upon the consumption of eggs, by Professor H. E. Botsford, New York State College of Agriculture.

Discussions on the various topics will be led by H. B. Davis, West Virginia Bureau of Markets; H. A. Hanemann, Pennsylvania Bureau of Markets, and Warren W. Oley, New Jersey Bureau of Markets. Developments in the distribution of goods will be discussed at an after dinner session. The address of welcome will be delivered by Nils A. Olsen, chief, Bureau of Agricultural Economics.

The annual meetings of the Atlantic States Division have been attended by an increasing number of delegates and other persons interested in Federal and State marketing research and service, in recent years, and it is expected that the sessions this year will attract wide attention.

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AN ORGANIZATION COMMITTEE composed of 14 members has been selected by the Federal Farm Board to develop the details of a proposed cooperative sales agency plan for the selling of miscellaneous fruits and vegetables. Fruit and vegetable cooperatives from 21 States were represented at conferences preceding the appointment of the committee.

U. S. Dept. of Agriculture Library  
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MIS-USE OF FEDERAL SEED  
LOANS BEING REPORTED.

T. Weed Harvey, in charge of the St. Louis farmers' seed loan office, reports that a number of farmers who have had their applications approved have used a part or all of the money advanced them for expenditures other than those authorized under the Federal loan. He says:

"All the funds advanced to farmers by the United States Government must be used for the purpose for which they were approved and granted. Flagrant misuse of these funds will not be tolerated.

"It has also been reported to this office from some sections of the official seed loan territory attached to the St. Louis Office, that the United States Government does not seriously contemplate the collection of these loans when they are due this Fall. Such reports should be corrected at once, since this office is already making extensive plans for collection of these loans.

"Loans made by the United States Government from the \$45,000,000 appropriation, as well as the \$20,000,000 fund, are secured by a first mortgage on the 1931 crop and it will be unlawful for any mortgagor to sell any part of this crop without applying the proceeds of such sales to the note held by the Federal Government. Payment of these loans must be made from the proceeds of the first crops sold. Any violation of the foregoing will be severely prosecuted."

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CALIFORNIA DAIRY COSTS  
STUDIED IN NORTHERN COUNTIES.

Having completed their survey of the southern part of California in costs of production in dairy manufacturing plants, F. H. Abbott and J. M. Tinley of the California College of Agriculture are planning to continue their investigations to cover the northern counties.

"No two creameries keep their accounts in the same way," Mr. Abbott says, "and none is satisfied with the allocation of costs for any product. If we can reduce their accounts to a common basis, and find a uniform method for determining costs, we can render an annual service to the creameries by sending them blanks which can be filled out easily. They can then determine their costs on production in relation to the average in the State, and adjust their practices accordingly."

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CONNECTICUT MAN FINED FOR  
USE OF ILLEGAL CONTAINERS.

A Connecticut man was found guilty recently on two counts of offering for sale apples in illegal 14-quart hampers. Judge Carroll B. Hincks of the United States District Court at Hartford, imposed a fine of \$5 without costs on the first count and \$100 on the second count. Judgment on the second count was suspended and the fine remitted. The defendant had plead "guilty" but changed this to a plea of "nolo contendere." The judge said that the light fine imposed was not to be considered as a precedent.

MICHIGAN ONIONS HAULED  
BY TRUCK TO FLORIDA.

What is believed to be the longest motor truck haul of farm produce by a Michigan trucker was completed on March 25 when the president of the Grand Rapids Truckers Association returned from Florida with a load of 100 bushels of grapefruit and 40 bushels of oranges. On the southward journey, 100 bushels of Michigan onions were hauled to the central part of Florida. The round-trip of 2,500 miles was made in seven days, but it is believed that, with two drivers, the trip to Florida and return to Grand Rapids could be made in five days. The grapefruit brought \$1 per bushel and the oranges \$1.75 per bushel. Truckers from Grand Rapids and other points in Michigan have been taking onions and celery from the swamp sections of the State to points in Kentucky and Tennessee all during the winter, returning with sweet-potatoes and other southern produce.

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STATE OF ORIGIN NOT  
SPECIFIED ON POTATO FUTURES.

Future sales of potatoes for October delivery, now being made on the Chicago Mercantile Exchange, do not specify any particular State of origin for Round Whites. It may sometimes be understood between buyer and seller from what State or States the Round Whites are to be shipped, and many of the trade have been regarding October futures as referring to Idaho Round Whites as well as Russets. There is nothing on the Exchange records, however, to indicate that such sales are of Idahos only, and, in fact it is probable that deliveries may be made on Round Whites from various States.

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ILLEGAL BASKETS SEIZED  
IN BIRMINGHAM, ALABAMA.

Seizure of 3,000 illegal six-quart diamond-weave splint baskets found in the possession of a commission merchant of Birmingham, Alabama, has been reported by T.C.J. Baker of the Bureau of Agricultural Economics. The baskets had been purchased sometime prior to November 1, 1929, the effective date of the Standard Container Act of 1928. The commission merchant voluntarily offered to destroy the baskets in Baker's presence.

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NEW HAMPSHIRE REPORTS  
USE OF MAPLE SYRUP GRADES.

Ninety-five color sets for maple syrup grading have been distributed during the past two months, and 29 New Hampshire producers have applied for and are using the New England Label in connection with the sale of their product, according to the New Hampshire Department of Agriculture. The interest manifested in the sale of maple products in conformity with established grades exceeds anticipations and indicates a forward step by our producers, says the department.

ORGANIZATION TO PROMOTE  
EASTERN POULTRY INDUSTRY

An organization of eastern poultrymen, to promote their industry and to offset the growing competition from mid-western and far western points is now being planned, according to the Pennsylvania Bureau of Markets. The association is to be known as a Northeastern Poultry Council and will be made up of representatives from the State Councils of Pennsylvania, New York, New Jersey, Maryland, Delaware, West Virginia, and the New England States.

The principle objectives of the organization are to coordinate and correlate the efforts of the various agencies, institutions and organizations within the respective states as to matters relating to the promotion and protection of the poultry industry of the northeastern area as a whole; to perfect an organization which can speak with authority and reliability in the interests of the poultry industry in all its phases as it may be developed in this section; to represent more effectively the northeastern section of the country in national poultry affairs; to develop ways and means of promoting within the area, a safe and logical growth of poultry keeping upon a high quality basis; to enhance for the future the safety of the poultry industry in this group of States.

Each State will have from one to four delegates as representatives upon the Council. Of the representatives, one will represent an educational institution, one the control officials, and two the practical poultrymen.

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WASHINGTON TELLS FARMERS  
TO PUSH HOGS FOR EARLY MARKET.

Farmers in the State of Washington are being urged by the Washington Extension Service to give young pigs the best of care to get them on the early market. A 10 to 20 per cent increase in number of sows farrowed in Washington this spring is indicated. The Washington Extension Service says that the increased interest being shown in hog sanitation and care in the State indicates that a greater number of hogs per sow will be marketed this fall than usual.

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ARIZONA REPORTS MANY  
NEW CITRUS PLANTINGS.

New citrus plantings this spring in Arizona have amounted to around 4,000 acres, according to the Arizona Industrial Congress. The new plantings bring total citrus acreage to about 17,000 acres in Maricopa County and 1,200 acres in Yuma County, with something over 5,000 acres in bearing. The industry is growing so rapidly in the State that many authorities predict the State will have 40,000 to 50,000 acres planted to citrus fruits by the year 1940, thereby giving the citrus crop first rank in value of Arizona farm production. Grapefruit predominate in Arizona citrus plantings.

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UNITED STATES STANDARDS for fresh spinach for canning have been issued by the Bureau of Agricultural Economics.

CALIFORNIA SAYS SPOILAGE  
OF CANNED PRUNES RETARDS SALES.

Marketing possibilities for canned prunes appear to be good, but commercial production has not increased appreciably because of spoilage losses from swelling of the cans and hydrogen gas, formed by corrosion, according to the University of California. Bulletin 508 has been issued on the subject. It is recommended that canned prunes should be distributed very soon after packing.

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INTERNATIONAL INSTITUTE TO  
OFFER AWARD IN ECONOMICS.

The International Institute of Agriculture, Rome, Italy, is awarding a gold medal and a prize of 10,000 lire annually for the best book on agricultural economy. Applications for this year's award will be received up to September 30, 1931, and should be addressed to the Secretary of the Institute.

The award is made in honor of the wedding of H.R.H. The Crown Prince of Italy with H.R.H. Princess Marie-José of the Belgium and is to be called the Humbert-Marie-José prize. Only works of authors belonging to countries adhering to the Institute and published during the two preceding years will be eligible ; provided, however, that books written previously and materially revised or added to during the period in question may be entered. The contest will be judged by an International Committee of five persons.

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PORK AND LARD STOCKS show increase, according to the Bureau of Agricultural Economics in its monthly report on world hog and pork prospects, which says that a large accumulation of pork and lard stocks in the United States has resulted from increased hog slaughter, continued weak domestic demand, and reduced foreign outlet.

PRODUCTION OF FLOWERING BULBS has become an important commercial horticultural industry in the United States in recent years, according to the Bureau of Agricultural Economics which says that although figures on total values are not available ,bulbs are being grown in practically every State. A mimeographed report of the survey may be obtained from the bureau.

THE NORTHEAST COULD GROW ITS OWN PULPWOOD, says the U. S. Department of Agriculture, in Technical Bulletin 223 just issued by the department. The department says that more consideration should be given to the possibilities of forcing spruce lands of the Northeast to produce the pulpwood required by the region.

TWENTY-THREE CONFERENCES "on wheels" will be held in North Dakota during April and May to interest elevator men in the job of improving crops in the State, the conferences to be under the auspices of North Dakota Agricultural College.

COST OF PRODUCING CANHOUSE TOMATOES is analyzed in the March issue of the Economic Review of New Jersey Agriculture, published by the New Jersey Extension Service, New Brunswick, N. J.

PUBLICATIONS

"PEE DEE FARM MANAGEMENT STUDIES, 1925-1930," is the title of Bul-269 issued by Clemson Agricultural College, South Carolina. The object of these studies is to find out the more profitable systems of farming for the area, and to determine how to produce different kinds of crops and livestock at the lowest possible cost.

"CONNECTICUT VEGETABLE INDUSTRY AND ITS OUTLOOK FOR 1931," is the title of Bulletin 8 issued by the Connecticut Bureau of Markers, Hartford, Conn.

"CONNECTICUT CROP AND LIVESTOCK REVIEW, 1930," has been issued as Bulletin 7 by the Connecticut Department of Agriculture, Hartford, Conn.

"COST OF COMBINE HARVESTING IN MINNESOTA," has been issued as Experiment Station Publication 266 by the University of Minnesota. Department of Agriculture, University Farm, St. Paul, Minn.

"A PRODUCTION AND ECONOMIC SURVEY OF THE BLACK RASPBERRY INDUSTRY OF WASHINGTON COUNTY, MARYLAND," is the title of Bulletin 322 by the University of Maryland.

"MARKETING APPLES GROWN IN THE CUMBERLAND-SHENANDOAH REGION OF PENNSYLVANIA, VIRGINIA, AND WEST VIRGINIA," has been issued as Technical Bulletin 234 by the U. S. Department of Agriculture. The survey was made in cooperation with State agricultural colleges in the three States.

"NEBRASKA, THEN AND NOW - FIFTY YEARS' PROGRESS IN AGRICULTURE." is the title of a publication issued by the Nebraska State Board of Agriculture, Lincoln, Nebr.

"THE FORTY-THIRD ANNUAL REPORT OF THE UNIVERSITY OF MARYLAND" has been issued by the University of Maryland, College Park, Md. Bulletins contained in this report include "The Production and Marketing of Strawberries on the Eastern Shore of Maryland."

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AMERICAN DAIRY FEDERATION MAY  
HOLD ANNUAL OUTLOOK MEETINGS.

The outlook meeting recently held by the American Dairy Federation proved so satisfactory that it probably will be made an annual event, according to Department of Agriculture officials who attended the meeting. At the meeting, the dairy representatives indorsed the work now being done by the Federal department in the interests of the dairy industry. The conference recommended the appointment of a committee of dairy representatives to collaborate with the Bureau of Agricultural Economics in collecting statistics and analyzing and interpreting such information. Another committee was appointed to investigate the possibilities of a dairy information clearing house, under the agricultural marketing act. this committee to cooperate with the Bureau of Dairy Industry.

STATE AND FEDERAL

# MARKETING ACTIVITIES

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April 22, 1931

Vol. 11, No. 16

### MARKETING OFFICIALS DISCUSS COMMON PROBLEMS AT RECORD ANNUAL MEETING IN WASHINGTON

Annual Conference of Atlantic States Division  
Attended by Delegates from 14 States

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Federal-State cooperation in attacking with a united front the problems of agriculture was the keynote of the annual meeting of the Atlantic States Division, National Association of Marketing Officials, held in Washington, D.C., April 21.

Delegates from fourteen Eastern States, representing State departments of Agriculture and Markets and colleges of agriculture, attended the conference. A discussion of the apportionment of charges for Federal-State inspection service on fruits and vegetables was one of the highlights of the meeting, the result of which was the adoption of a motion that

"This group suggest to the Executive Committee of the National organization the appointment of a committee to confer with the Federal department to make a survey of the cooperative agreements between the Bureau of Agricultural Economics and the different States in connection with fruits and vegetables inspection service, and to bring in a report as to what is the most helpful procedure to follow in allocating costs of the Federal-State service."

C. W. Kitchen, assistant chief, Bureau of Agricultural Economics, stated that the Federal bureau would be glad to confer with any committee the States may appoint. He said there are a number of problems in connection with the inspection service which it would be desirable to discuss with a view to placing the service on a self-supporting basis.

Other topics discussed at the meeting were the progress made under the Perishable Agricultural Commodities Act and supplementary State legislation having a bearing on this act, the changes in consumers' buying habits, the G.L.F. Plan for Community Service Agencies, and the effect of retail egg grading laws upon the consumption of eggs.

#### Need for Factual Basis in Agriculture

Nils A. Olsen, chief, Bureau of Agricultural Economics, in an address of welcome to the delegates, stressed the need "to build up a better founda-

tion of facts that will cause us to arrive at correct conclusions in striking at the basis of agricultural difficulties. There is great variation in thinking on production programs. I am insisting that until we think these things through together we cannot have the influence it is expected we should have. We should set up a program that will enable us to consider the problems of agriculture from a broad philosophic point of view. I think that until we become conscious of the entire program we are going to be muddling along. There has been a lot of muddling in the whole agricultural effort in the last ten years. We must educate people to build up a background to enable them to think with us on the subject; spend more time on the broad phases of the problem. More and more we can think these things through as groups because we are all members of the same family - the Department of Agriculture, the Land Grant Colleges, the Departments of Agriculture in the States, the State Colleges of Agriculture, the Vocational Education System."

#### Federal-State Shipping Point Inspection

Operation problems of Federal-State shipping point inspection were described by R. C. Butner of the Bureau of Agricultural Economics, Division of Fruits and Vegetables. Mr. Butner said, in part:

"When you stop to consider that the bureau has agreements with 45 States providing for shipping point inspection of fruits and vegetables it would be quite natural to anticipate that we have 45 problems. This is not the case, however, because the original problem has been solved in drawing up the cooperative agreements which would fit into local conditions and be in accord with State laws. Although the situation is different in every State and no two agreements are alike, the same fundamental policy has governed in all cases. We have endeavored to make all shipping point inspection work financially self-supporting, and in this we have been fairly successful.

"Probably the most outstanding recent development is the signing of a cooperative agreement for Federal-State shipping point inspection in Maine, New Hampshire, Vermont, Massachusetts and Connecticut. The work will pertain to fruits and vegetables, except Maine potatoes which are handled under a separate agreement. It is expected that this new service will begin about September 1. Rhode Island is now the only State east of the Mississippi River with which we do not have a cooperative agreement, and all of the shipping point work in that State is handled by our inspector at Providence. New Mexico and South Dakota are the only States in the West without cooperative agreements, North Dakota and Minnesota having recently signed up. The cooperative work in the latter States will begin with the opening of the next shipping season.

"The selection, training and supervision of inspectors remain a constant problem and will probably always be with us. Men who are properly qualified can be easily trained but some who have had long experience in fruits and vegetables seem never to be able to make good. The difficulty lies in judging the incompetent ones before they are given employment and this sometimes cannot be done, especially when the work is hurriedly organized in order to handle an unexpected volume.

"The uniformity of interpretation of grade in the different States is another question. The U. S. grades are now in general use and a No. 1 product must be of the same minimum quality in all States. In addition to maintaining uniformity on the part of inspectors by the supervisor it becomes necessary to check up on the work of supervisors in order to keep the work in the various States on a uniform basis. Our record of reversals seems to indicate that we have made much progress in this direction. In some States the organization provides for district supervisors or key men who are stationed at strategic points, and, when the supervisor cannot contact all of his inspectors, he makes it a point to check up frequently with the district men who, in turn, visit the local inspectors.

"Another difficulty experienced has been caused by licensed inspectors acting as packing house foremen. This practice is almost a thing of the past but it has never been approved by the Washington office. Our rules and regulations specifically state that no inspector shall inspect any products in which he is directly or indirectly financially interested."

#### "P.A.C." Act Affects Service

"The Perishable Agricultural Commcodities Act has already begun to affect the inspection service on fruits and vegetables. The number of requests for appeal inspections on carloads certified at shipping point has shown an appreciable increase during the past few months, due to the fact that receivers desired to protect themselves on purchases where there was a possibility of disagreement between buyer and seller as to quality or condition. Some firms of the better class are running no risk of jeopardizing their standing under the new Act and are making it a point to call for an appeal inspection whereyer there is a possibility that a complaint may be filed against them under the Act.

"The number of appeals and reversals has increased. Some reversals can be attributed to inspectors working at high speed and attempting to inspect more cars in one day than can be properly handled. It would be better to miss an occasional car, and the quality of the work should never be sacrificed in order to increase quantity. The service can always defend criticism against failure to inspect on account of lack of time much more easily than criticism which arises against incorrect certification.

"We find that our estimate of the cost of the Federal overhead in shipping point inspection work has been a little too conservative. The best figures now obtainable indicate that the overhead amounts to a fraction over fifteen cents per car. It will probably be necessary in the near future to revise all of our cooperative agreements so as to provide for a uniform charge of fifteen cents per car for the Federal overhead."

Mr. Butner's address was followed by a general discussion as to how the cost of supervisinal work and educational work in the inspection service should be allocated. The delegates were practically unanimous that inspection fees should not be increased in order to yield these costs, and that the service could be made self-supporting in many cases by increasing the volume of inspections. Some of the members expressed the belief that where the service could not be made self-supporting the expense of supervisinal and educational work should be borne by the State and Federal governments. The Federal bureau pointed out that it is the wish of

the Congress that the Federal service should pay for itself; whereupon some of the delegates expressed the opinion that the States should take it upon themselves to convince Congress that the Federal expenses for supervisory and education work should be borne by the public because the service is in the public interest. The discussion ended with a motion to appoint a committee to meet with bureau officials to consider this and other problems connected with the inspection service.

### Progress Under "P.A.C." ACT

A statement of progress under the Perishable Agricultural Commodities Act was submitted to the conference by Wells A. Sherman, Division of Fruits and Vegetables, Bureau of Agricultural Economics.

Mr. Sherman reported that fifty opinions in cases of alleged violations of the Act have been rendered by the Solicitor for the Department of Agriculture, but that no hearings have as yet been held on these cases. He said that the bureau hopes to begin soon to hold public hearings and get some decisions from the Secretary. He told of the experiences of an attorney who recently informed the bureau that he had collected a total of \$22,000 in claims merely by threatening to invoke the Federal law.

Mr. Sherman expressed the belief that "one of the surest grounds on which we can inflict discipline will be the failure to keep records." Simple cases of non-payment are frequent among the complaints received by the bureau, he said. In some cases the complainants propose to make the Federal department a court, with a view to facilitating action and settling claims at less cost than would be entailed in bringing suit in the civil courts.

"One sort of complaint, Mr. Sherman said, "is that against the shipper who confirms U. S. No. 1 and then delivers a car on which he holds a certificate showing it was 85 per cent No. 1. He takes his chances on being able to sell it. When the receiver thinks the car is not up to grade he asks for re-inspection, and wants a small allowance from the shipper."

Mr. Sherman said there are many controversies over indefinite contracts, and that it has become a more or less common device nowadays to add a few words to communications which always formerly constituted a contract. He said there is a good deal of dissatisfaction among the trade "over what they feel is the inequality in the method of settling railroad claims," in that partiality is accorded claimants who can throw traffic to a road.

Discussing State relationships under the new Federal law, Mr. Sherman stated "there was some State legislation dealing with interstate commerce prior to the passage of the Federal Act which I think almost any State Attorney General will tell the State marketing officials has been in effect superceded by the Federal legislation. Some States have quickly realized this situation and are putting themselves in a way to line up with the new conditions."

In connection with the licensing feature of the Federal law, Mr. Sherman said: "I do not know when we will get all people licensed that

sought to be licensed. We will furnish a copy of the names and addresses of those licensed in any particular State, and we will be glad to have information on those who are not licensed. Approximately 14,000 licenses have been issued to date."

H. A. Hanemann, Pennsylvania Bureau of Markets, led the discussion on the matters brought out in Mr. Sherman's talk. He said that Pennsylvania had been hopeful that the Federal law would apply to receivers of live poultry, dressed poultry, and eggs, as well as of fruits and vegetables. He stated that out of 230 complaints received last year in Pennsylvania against commission merchants and receivers only ten complaints involved fruits and vegetables, and the remainder involved poultry and eggs. He said there is talk in Pennsylvania of introducing a licensing bill to deal with intrastate traffic in these commodities, but that it will be up to the farmers to take the initiative in presenting it.

Warren W. Oley, New Jersey Bureau of Markets, said that practically all complaints received by the bureau were on live poultry, lambs, and eggs. H. Deane Phillips, New York Bureau of Markets, stated that the great majority of complaints in that State deal with eggs and poultry. Mr. Phillips expressed the opinion that the Federal legislation does not go far enough in that it does not cover poultry and eggs.

#### The G.L.F. Plan for Community Service Agencies

Mr. Phillips outlined briefly the Grange-League-Federation proposal to render grading and packing service to producers in New York State. This Federation heretofore has been a purchasing organization for buying feeds, fertilizers, and miscellaneous farm supplies for farmers in the New York milk shed. (A more comprehensive report on the plan than can be given here may be found in the 1930 proceedings of the New York State Horticultural Society, or by writing H. E. Babcock, manager, G. L. F. Exchange, Ithaca.) General discussion under this topic dealt with the operations of buying and selling agencies in the Eastern States.

#### Changes in Consumers' Buying Habits

The changes which are occurring in consumers' buying habits, the development of the frozen foods industry, and the need for producers to study consumer demand for their products, were discussed by Dr. Arthur E. Albrecht, director, New York Office, New York Department of Agriculture and Markets.

After citing how per capita consumption of food products has increased or decreased in recent years, Dr. Albrecht said that "the apotheosis of vegetables, especially the salad vegetables, a decline in cereal and meat consumption, increase in dairy products and packaged goods, and an increase in sugar consumption, are due to changes in the food business itself; and to changes in consumer demand. Changes in the food business have been brought about by improved methods of transportation, handling, merchandising, advertising, and display; and by competition among shippers and dealers to increase the variety and to lengthen the season of fresh produce.

"Changes in consumer demand may be classified as follows: A new philosophy of food as a result of the discovery of vitamins and the campaign of education based upon it for a more balanced diet; decline in the amount of physical labor owing to the increased use of machinery; reduction in working hours; improvement in home and commercial heating resulting in the need for fewer calories; smaller apartments, resulting in a demand for packaged and prepared foods; relatively higher standard of living than before the War; decline in proportion of males to females in the country as a whole, and a shift of large numbers of people from farms to towns and cities."

#### Effect of Retail Egg Grading Laws on Consumption of Eggs

"A probable increase in egg consumption can be accomplished by selling eggs on a definite grade basis; making price the consumer's insurance of quality, and by advertising these facts in an appealing, honest, and instructive manner," in the opinion of Professor H. E. Botsford of Cornell University, who gave the results of surveys to ascertain the reasons for deterioration in quality of eggs between the farm and the retail store, and the effect of the New York egg grading law on consumer buying of eggs.

Professor Botsford said that his investigations showed that brand names and price are the leading factors in consumer buying of eggs; that consumers do not buy by grade because it is only recently that an attempt has been made to sell eggs on grade. He said that consumers appear to fall under one of three headings: Those who are interested in securing fresh eggs combined with a willingness to pay the price; those who are indifferent to real choice quality when a good egg of lower price is available, and those who are only mildly concerned or not concerned at all so long as eggs are edible. He found in his investigations that consumers do not turn quickly from an established brand, especially one they have known a long time, to U. S. Grades or New York Grades sold as such, even though the degree of freshness may be better. "Consumers are brand-conscious more than grade-conscious," he said.

"Price, to consumers, is an important factor. Consumers appreciate differences in price when they may not be able to detect the corresponding difference in quality. When quality rather than price dominates, the purchase price is accepted as a measure of quality. Many consumers who desire good quality, but to whom price must be or is a considerable factor, are most easily led to buy eggs lower in price and quality when, in answer to their question, they are told the eggs are 'very good today'.

"People willing to pay for quality constitute the nucleus of the group who will eventually appreciate superior grades. Properly enforced egg grading laws will assist in awakening a large dormant demand, and this will stimulate the handlers of eggs to produce and make available better qualities. A new egg grading law, such as New York State has, needs time to prove the wisdom of its existence. When properly enforced and supported it should be the consumer's guarantee of quality. Careful grading should be accompanied by improved methods of handling to preserve quality."

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



April 29, 1931

Vol. 11, No. 17.

PENNSYLVANIA DEPARTMENTSEEKS NEW MARKETING LAWS.

Bills dealing with egg grading, cold storage, and "egg opening" have been introduced into the Pennsylvania General Assembly at the instance of the Pennsylvania Department of Agriculture, according to John A. McSparran, Secretary of Agriculture for that State.

An "egg grading" bill provides that all eggs, except those sold by a producer directly to the consumer, shall be graded, labeled and sold according to official standards to be established by the Pennsylvania Department of Agriculture. The so-called fresh egg law of the Department would be amended to provide for the new grades.

An amendment to the cold storage law has been presented to exempt State-owned institutions from paying the \$50 cold storage license fee. The Department retains the authority, however, to supervise the methods of cold storage of food, and the disposal of it as practiced in exempted institutions.

A proposed amendment to the "egg opening law" would require that incubator reject eggs - infertile eggs removed from incubator after ten days - must be labeled as such and that when such eggs are used in the preparation of food products, as cakes, the product (when offered for sale) must be labeled with the words "Incubated Eggs Used."

An amendment to the "milk testing law" would give the Department supervision over the payment for milk on other bases than the Babcock butterfat tests. It is explained that in a number of plants, bonuses or additional payments are made according to the bacterial count of the milk. As the law now stands, the Department has no authority to check such payments to make sure they are correct.

A bill has been submitted by the Department to simplify the procedure in computing tuberculosis indemnity claims by taking the actual value of the salvage rather than an estimate of it. The bill also makes a distinction between pure-bred registered and grade non-registered swine, sheep and goats. The present law limits the amount of indemnity to \$10 regardless of breeding. The new bill allows a maximum of \$10 for non-registered and increases the maximum of registered to \$25.

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DELAWARE TOMATO CANNERRIESTO BUY ON BASIS OF GRADE.

At least five canneries in Delaware will buy tomatoes on a graded basis this season, according to the Delaware Department of Agriculture. Contracts with growers are now being made, and it is reported that very little difficulty is being experienced in contracting on a graded basis. Many of the tomato growers in the State have believed for a number of years that the old method of buying tomatoes by the basket or by the ton at a set price is unfair to both grower and canner.

MINNESOTA ENACTS LAW  
REQUIRING POTATO LABELING.

An Act to regulate the tagging, labeling or branding, and sale of potatoes in closed packages, enacted by the Minnesota State Legislature, will become effective September 1, 1931. The Commissioner of Agriculture will administer the law.

The law requires that potatoes grown in Minnesota, when packed for carload shipments or offered for sale by persons other than the growers or producers thereof in carload lots, and potatoes, when packed for truck-load shipments or offered for sale in Minnesota in truck-load lots, other than by the producer, shall be tagged, labeled, or branded as follows:

"U. S. No. 1, Minnesota Commercial Grade, U. S. No. 2, Unclassified, and Minnesota Certified Seed. The U. S. Grades shall conform in all respects to the requirements laid down by the U. S. Department of Agriculture. Minnesota Commercial Grade shall conform in all respects to the U. S. No. 1 grade but in order to allow for variations incident to proper grading and handling, a tolerance of defect of four per cent, in weight, additional on No. 1 Grade may be allowed for this Grade, but not to exceed one per cent shall be allowed for potatoes affected by soft rot. The Unclassified shall consist of all potatoes not meeting the requirements of the foregoing grades, and shall be sold either as such, or on a certificate of inspection duly made by an authorized inspector of the State Department of Agriculture."

Further details of the new law may be obtained from N. J. Holmberg, Commissioner of Agriculture, Dairy and Food, St. Paul, Minnesota.

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WISCONSIN REPORTS INCREASE  
IN MARKETING PROJECTS.

A year ago, six counties in Wisconsin selected "marketing" as a major agricultural project, but this year twenty-two counties, or nearly one-half of the number of counties that have county agents, listed "marketing" as a principal project, according to Marvin A. Schaars, Wisconsin Department of Agricultural Economics.

Mr. Schaars says that many livestock shipping associations are becoming incorporated in the State, and are adopting a 3-year membership contract that is self-renewing for 5 years.

A detailed preliminary dairy marketing survey is being made by the Department of Agricultural Economics in order to meet demands for information as to the advisability of establishing a large, flexible milk plant in Wood County, Wisconsin. Similar surveys were made in Langlade and Shawano counties before large cooperative dairy plants were decided upon.

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PLAN OF PRODUCE SALES  
AGENCY TO BE DRAFTED.

A committee appointed by the Federal Farm Board to plan a cooperative sales agency to merchandise miscellaneous fruits and vegetables will meet in Washington, D.C., on May 18, following which the completed plan will be submitted to cooperative organizations for final approval. Cooperatives in 21 States participated in three sectional conferences leading up to the selection of the organization committee.

NEW MEXICO TAKING RECORDS  
ON DAIRY AND POULTRY BUSINESS.

Progress is reported by the New Mexico Extension Service in obtaining records regarding the dairy and poultry business as it is being conducted in different counties in New Mexico. Records are being kept to show what are the most profitable farm practices with regard to production, income and expense. The records will be continued from year to year.

Two methods are being employed in keeping the dairy records: the herd method and the individual method. Both methods keep track of all sales connected with the herd and all purchases such as feed and other expenses; however, in the individual method, record is kept of all feed fed to cows milked and the milk of each cow is weighed once a week, morning and night.

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ILLINOIS REPORTS ON  
FARM INCOMES IN STATE.

An analysis of 2,300 records kept by Illinois farmers in the Standard Farm Accounting Service of the Illinois College of Agriculture shows that the account keepers last year averaged about 1 per cent return on their capital. This is not so bad as in 1921, says R. R. Hudelson, extension specialist, when account keepers in central Illinois suffered an actual net loss. The rank and file of farmers, however, he says, probably had a net loss last year. It has been learned that account keepers make higher earnings than the average of all farmers, their advantage usually amounting to about 2 per cent of the total investment, or nearly \$1,000 a farm for central Illinois.

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MASSACHUSETTS LEARNS  
MARKET PREFERENCES.

Plymouth Rock broilers are preferred in the New York market, not because of any difference in quality, but because people like the looks of the feathers, according to A. H. Lindsey of Massachusetts Agricultural College.

"This is especially true among the Italian trade," he says. "New York consumers like the egg yolks light and everyone knows that they also prefer a white shelled egg. They also prefer their poultry dry picked. The seasonal demand for different kinds of poultry and game differs greatly for different times of the year, especially of the kinds of poultry in demand for legal and Jewish holidays. Many people in the New York trade express the belief that inside of ten years every poultry farmer will have a shell treating machine and that all eggs marketed will be shell treated."

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CALIFORNIA MAKING STUDY  
OF ARTICHOKE MARKETING.

A series of studies of the distribution of California artichokes is being made by the Giannini Foundation of Agricultural Economics. Primary consideration is being given the distribution of artichokes in California and eastern markets and the relation to price of the quantities sold in the various markets. An analysis of trade channels and trade practices will be made. Dr. E. A. Stokdyk is conducting the study.

PRODUCE DEALERS LICENSED  
UNDER MINNESOTA LAW.

More than 1,500 dealers in farm produce have been licensed and bonded for the period ending May 31, 1931, under the Wholesale Dealers Produce Act in Minnesota, according to R. F. Happ, Director of Produce Markets in that State.

Mr. Hall reports further that more than 1,500 duplicate licenses have been issued to agents of licensed dealers; 275 identification cards have been issued to traveling agents of licensed dealers; more than 800 truck plates have been issued to dealers buying produce by truck, and that more than 100 claims have been adjusted satisfactorily by the Department of Agriculture.

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TOBACCO GRADES TO BE  
DEMONSTRATED IN NORTH CAROLINA.

A short course to demonstrate Federal standard grades for flue-cured tobacco will be held at the Agricultural College at Raleigh, N. C., May 11 to 15. This short course, a repetition of a successful course a year ago at Raleigh, will be under the joint auspices of the Bureau of Agricultural Economics and the State Agricultural College of North Carolina. Representatives of the State departments of agriculture of Virginia and North Carolina will participate.

Three days will be given over to prospective tobacco graders, tobacco buyers and representatives of tobacco companies. The second section of the course on May 14 and 15, will be for the benefit of farmers, agricultural students, vocational agricultural teachers, and county agents.

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TENNESSEE TRUCK GROWERS  
FORM MARKETING ASSOCIATION.

The organization of a West Tennessee Truck Marketing Association with headquarters at Humboldt was completed recently with a membership of approximately 500 growers, according to A. L. Jerdan, University of Tennessee Extension Marketing Department.

The central association is made up of six local associations. Growers were assisted in forming the organization by G. A. Nahstoll, representative of the Federal Farm Board. More than 800 cars of truck including tomatoes, strawberries, cabbage, sweet potatoes, beans and peppers have been signed up by the locals for sale through the central association.

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NEW JERSEY MAKING SURVEY  
OF POWER MACHINE FARMING.

A study to determine the extent to which power machinery is being used in the counties of Monmouth, Middlesex, Mercer, Salem, and Cumberland, and to gather data which potato and truck growers may use in planning for further motorization of their farms is being made by the New Jersey Agricultural Experiment Station. Power equipment being studied include tractors, motor trucks, and various tractor attachments used for cultivating, plowing and discing. The results will be reported early in 1932. Cost records will be compiled.

TEXAS VEGETABLE SHIPPERS  
USING HALF-CRATES.

An increasing number of Texas shipments of beets and carrots to the Cleveland market is being made in half-crate containers. This crate is 24 inches long, 13 inches wide, and 9 inches deep, outside measurements. It is about one bushel capacity. The Cleveland trade is said to favor the package in that they find it easier to sell a customer two small crates rather than one large western-type crate. Beets and carrots are generally packed about three dozen bunches to the crate, compared with about five dozen in the large crate. The trade prefers the western lettuce crate for cabbage.

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PLANS BEING MADE FOR  
GRADING CANNED PRODUCE.

The Federal Agricultural Appropriation Act for the fiscal year 1932 provides \$30,000 for developing a service for the grading and certification of canned fruits and vegetables. Grades have been promulgated for use in the administration of the U. S. Warehouse Act for several canned vegetables, and considerable research work has been done by the Bureau of Agricultural Economics on other canned fruits and vegetables.

Plans are now being made by the bureau for handling the numerous details involved in grading and certifying canned fruits and vegetables, and for the drafting of necessary rules and regulations. It will be necessary to provide standards for all canned fruits and vegetables which are of commercial importance. The number of points outside of Washington at which the grading service on canned fruits and vegetables will be undertaken will depend upon the demand which develops, but the number will necessarily be small during the next fiscal year.

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NEW JERSEY OPENS  
POULTRY AUCTION MARKET.

A broiler and fowl auction market was opened at Flemington, New Jersey. Establishment of the auction is the result of the successful operation of an egg auction at Flemington where more than fifty buyers from New Jersey and New York trade twice a week.

In the poultry auction, broilers and fowls of the White Leghorn, Rhode Island Red, and Barred Rock varieties are offered for sale. The New Jersey Department of Agriculture and the College of Agriculture are taking an active part in fostering the establishment of poultry and egg auction markets in the State.

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U. S. STANDARDS FOR FRESH FABA (FAVA) BEANS, and U. S. Standards for Red Sour Cherries for Manufacture, have been issued by the Bureau of Agricultural Economics.

"PROTECTION AFFORDED THE CUSTOMER under the United States Grain Standards Act" is the title of a multigraphed statement issued by the Bureau of Agricultural Economics. Willis B. Combs, marketing specialist, is the author.

NEW JERSEY CATTLE DEALERS  
MUST BE LICENSED UNDER NEW LAW.

New Jersey cattle dealers and brokers and their agents must be licensed by the New Jersey Department of Agriculture in order to do business in New Jersey after July 1, according to the provisions of Chapter 28, Laws of 1931, signed recently by Governor Morgan F. Larson of that State.

The law was passed for the purpose of protecting farmers from unscrupulous dealers who have been known to cause serious losses by trading in diseased cattle. It is expected also to serve to relieve reputable dealers of unfair competition from those who use unscrupulous methods.

In enforcing the law, the department will endeavor to obtain the names of all cattle dealers and brokers operating in the State. Moreover, the law makes these dealers and brokers responsible for filing applications for licenses by June 1.

The Act does not apply to agricultural cooperative associations in their dealings with members; to persons or firms dealing in less than ten cattle a year; to dairymen permanently discontinuing business and disposing of herds, nor to dealers who receive cattle exclusively for slaughter.

According to the provisions of the Act, the Secretary of Agriculture may decline to grant or may revoke a license when he is satisfied that the dealer concerned has violated State regulations on the inter-state or intra-state movement of cattle; that he has been guilty of fraud or misrepresentation; that he has dealt in diseased cattle likely to transmit disease to other cattle or human beings, or that the dealer has refused to keep such records as might be required by the department in the administration of the law.

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PUBLICATIONS  
(B.A.E. Mimeographed Reports)

"Grade and Staple of South Carolina Cotton Crops of 1928 and 1929," by W. B. Lanham and R. E. Betts.

"Marketing Texas Tomatoes, 1930 Season," by W. D. Googe.

"Marketing Strawberries from the Ozark Section of Missouri, 1931 Season," by L. C. Tate.

"4-H Club Work in West Virginia."

Radio Broadcasts:

"April Lamb Market," C. V. Whalin, April 21.

"March Feed Markets," F. J. Hosking, April 8.

"The Potato Outlook," Wells A. Sherman, April 8.

"April Crop Report," W. F. Callander, April 10.

"April Hog Markets," G. A. Burmeister, April 23.

"Outlook for Corn and Other Feed Crops," J. A. Becker, March 28.

"March Grain Markets," G. A. Collier, March 25.

"March Egg and Poultry Markets," B. H. Bennett, April 2.

"Comments on the Agricultural Situation," A. B. Genung, April 1.

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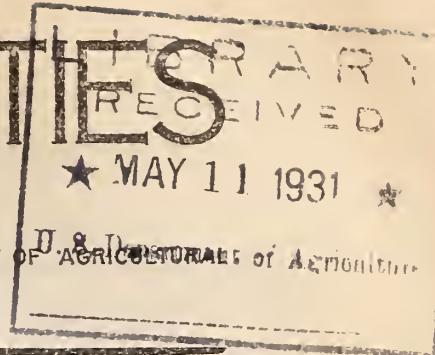
"NEW CREDIT FOR FARMERS," just published by the U. S. Department of Agriculture, tells how to obtain Federal loans with which to buy stock in agricultural credit corporations.

STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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May 6, 1931

Vol. 11, No. 18.

### UNITED STATES TO TAKE PART IN LONDON WHEAT CONFERENCE.

United States official delegates to the London Wheat Conference, to be held May 18, are Sam R. McKelvie, Federal Farm Board and Nils A. Olsen, chief, Bureau of Agricultural Economics, U. S. Department of Agriculture, Dr. Alonzo E. Taylor, Food Research Institute will go as technical expert.

The conference will be attended by representatives from the principal wheat exporting countries. It is expected that the conference will result in a better understanding of the mutual difficulties of wheat exporting countries, and possibly in recommendations for concerted action in preventing future over-production.

The Federal Farm Board stated on May 1 that it "wishes to emphasize that participation in the London conference does not change in any way its recommendation to wheat growers of this country that they gradually reduce production to a domestic market basis. The Board is of the opinion that such action on the part of the producers is necessary if they are to get a more satisfactory price for their wheat than they have in recent years."

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### NEW YORK REPORTS RETAIL MILK PRICES REDUCED.

Milk is about two cents a quart cheaper now than last year, according to a survey of retail prices in eighty-three cities, says Professor Leland Spencer, New York State College of Agriculture. The retail price is the same as two years ago in nine of the cities.

The survey shows that farm milk prices have decreased more than retail prices. Dairymen received sixty-eight cents a hundred pounds less in February, 1931, than in February, 1930, as the average net price in five representative milk producers' organizations.

Professor Spencer says that "the outlook for milk prices to dairymen is not favorable for the next three or five years. Farmers and distributors must strive for greater efficiency. The non-essential milk plant must be closed and the poor cows sold."

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### OREGON DEPARTMENT OF AGRICULTURE IS APPROVED.

Generally favorable comment upon the law creating the new State Department of Agriculture in Oregon is reported by Seymour Jones, State Market Agent. Mr. Jones says that the first step in the organization will be the Governor's appointment of a Director in whom will be centered chief responsibility for the success of the Department.

U. S. Dept. of Agriculture Library,  
Attn., Miss Trolinger,  
Washington, D. C.

PENNSYLVANIA SURVEYS COST  
OF PRODUCING EGGS.

It cost 73 Pennsylvania farmers 29.7 cents a dozen to produce eggs last year, as shown in records kept on the farms and summarized by E. L. Moffitt and M. J. Armes, Pennsylvania State College. This is the highest cost since 1924-25. The investigators learned that flocks with the highest average production were the most profitable. Ten flocks averaging 176 eggs per bird had production costs of 27.1 cents a dozen. Ten flocks with 94 eggs per bird ran costs up to 38.6 cents a dozen.

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CONNECTICUT INSTALLS  
RADIO NEWS SERVICE.

A radio market news service for broadcasting daily market quotations on the four leading markets in Connecticut, in addition to current day's prices on the New York live broiler market, has been installed by the Connecticut Department of Agriculture in cooperation with stations WTIC, WDRC, WICC, and WBZ. The Connecticut Market Bulletin will be published as usual each Monday, Wednesday and Friday.

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COTTON STANDARDS CONFERENCE  
TO BE HELD ON MAY 9.

Representatives of nine leading cotton associations and exchanges of Europe and representatives of the United States Department of Agriculture and the American cotton industry will meet at Washington, D.C., May 9, for the purpose of approving copies of the Universal Cotton Standards for use during the two-year period beginning August 1, 1931.

The conference is expected to extend into the week of May 11. There will be some discussions apart from the biennial meeting, regarding tentative standards for the preparation of long staple cotton, ginning methods and effects, and bale covering of American cotton.

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FARM PRICE SITUATION  
IS SLIGHTLY IMPROVED.

The purchasing power of farm products in terms of commodities that farmers buy improved slightly from March 15 to April 15 by reason of an estimated decrease in prices of commodities bought by farmers. The Bureau of Agricultural Economics index of prices received by farmers continued at 91 for the period March 15 to April 15, whereas the index of prices paid by farmers is estimated at 134 as compared with 136 the preceding month. The ratio of prices received to prices paid is placed at 68 per cent of pre-war, compared with 67 in March, and 66 in February this year. In April a year ago the purchasing power figure was 85.

Seasonal advances in the farm price of apples and potatoes from March 15 to April 15, and slight price increases for corn, oats, barley, wheat, cottonseed, lambs, and chickens were offset by declines in prices of cotton, rye, flax, hay, cattle, calves, wool and dairy and poultry products.

RHODE ISLAND SEEKS  
NEW MARKETING LAWS.

Recommendations for compulsory labelling of closed packages of apples, and the buying and selling of eggs on grade basis, are contained in the fourth annual report of the Rhode Island Department of Agriculture.

"The program for the standardization, grading and labelling of Rhode Island farm products should be extended to include all of the products produced in Rhode Island that lend themselves readily to grading," says the department. "All agencies concerned with the welfare of the Rhode Island farmer should cooperate to further this program to its fullest extent. The eradication of disease from poultry flocks, together with the certification of poultry flocks should be extended to the point where Rhode Island will be recognized as the home of the highest quality poultry obtainable.

"Rhode Island is the only State in New England not having a compulsory apple grading law. The other New England States have found certain difficulties arising from the enforcement of their compulsory laws and the general consensus of opinion in the other States is that there is certain merit in voluntary grades; however, it is to the best interests of the Rhode Island apple growers that legislation be enacted making it compulsory that the name, address, variety and minimum size or count of apples packed in closed packages shall be marked on the outside of the package. The question of grading still should be left on the voluntary basis.

"From the standpoint of selling eggs at wholesale, considerable confusion has resulted in the Providence market particularly, because certain wholesalers buy on a loss-off basis, while others buy on a case-count basis. The difference is that the loss-off buyers or commission men candle and grade their eggs and pay for the eggs on a graded basis. The case-count buyers pay the same price regardless of quality. It would be a step in advance from a marketing standpoint if legislation were enacted requiring all who are selling eggs other than of their own production to candle and grade the eggs and buy them on that basis."

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CALIFORNIA TO CONFER ON  
DRYED FRUIT SITUATION.

A conference of growers, driers and packers of dried fruit is to be held at the University of California, May 8, under the auspices of the Fruit Products Laboratory of the College of Agriculture. Topics scheduled for discussion include industry standards for dried fruits, the status and operation of fig inspection, progress in standardizing grading of cut fruits, color standards for dried fruits, prune packaging experiments, and walnut dehydration tests.

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THE FOURTEENTH ANNUAL MEETING OF THE AMERICAN COUNTRY LIFE ASSOCIATION will be held at Cornell University, Ithaca, New York, August 17 to 20. Speakers scheduled on the program include Frank O. Lowden, ex-governor of Illinois, Governor Franklin D. Roosevelt of New York; Governor Gifford Pinchot of Pennsylvania, and Dr. C. J. Galpin, vice-president of the Association.

FARMERS STRIVE TO CUT  
PRODUCTION COSTS.

Farmers are striving this year to cut costs of production by economizing on hired labor and all other cash items, according to the May 1 report on the agricultural situation by the Bureau of Agricultural Economics.

"The general agricultural picture is not a 'rosy' one," says the bureau. "It reflects the hard fact that farmers have had to undertake this year's work with the handicap of current market conditions and with a long background of difficulties. Not the least significant part of the picture is the evidence of a further decline in land values.

"The livestock industries are in not quite as good position as they were a year ago. Curtailed consumption and increasing production make a difficult situation. The dairy industry has had to put a larger proportion of its milk into manufactured products, with consequent low prices on the latter as well as on fluid milk. The cattle and sheep industries have experienced a drastic slump in prices, although favored on the producing end by the mild winter."

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FLORIDA IS TRYING  
PACKAGING INNOVATIONS.

New methods in packaging are being tried in the Hastings (Florida) section this year, according to B. E. Surrey, field representative of the Bureau of Agricultural Economics.

Mr. Surrey reports that one large grower has packed a few Spaulding Rose in 5-pound paper boxes. The potatoes are washed, run over a grader, and then passed over a belt and into packing bins. Twelve of the 5-pound boxes are packed in a large, ventilated pasteboard box, making an even bushel of potatoes. One straight car of 500 bushels was loaded on boat last week for shipment to a New York firm. It is expected that the potatoes will retail for about 5 cents per pound.

Another shipper is loading Spaulding Rose potatoes in bushel crates, and operators are filling orders for sacked potatoes in 50 and 100-pound bags. It is estimated that there is a saving of 60 cents for every two 100-pound sacks shipped, compared with a barrel that holds 165 pounds. The freight on the empty barrel to New York is 15 cents, plus an extra cost of about 45 cents for packaging.

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ILLINOIS REPORTS FARMERS  
IGNORE PORK TRADE DEMANDS.

Many hog producers give little or no consideration to the demands of the pork trade for reasonably small cuts of high quality meat without excess of fat, according to Sleeter Bull, Illinois College of Agriculture. Mr. Bull says that at present feed prices it costs about 45 cents a hundredweight more to produce a 350-pound hog than it does to make a 200-pound hog. Furthermore, the market usually will pay a premium for a light-finished hog. A hog of intermediate type, properly fed, will be finished at 200 to 225 pounds. Such a hog, Mr. Bull says, will satisfy consumer demand for reasonably small cuts of excellent quality without excessive fat.

IOWA URGES FARMERS TO  
INCREASE CORN YIELDS.

With grain and livestock selling as at present, the Iowa farmer who is to show a profit this year must do everything he can to secure as large corn yields per acre as possible; he should adopt the best cropping practices and use the available labor most economically, according to H. D. Hughes, Iowa State College. Mr. Hughes says that "it has been shown in Iowa that the net profits from farms are intimately associated with the acre yield of the corn crop."

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NEW JERSEY REPORTS ON  
FARM CHILD LABOR.

The following conclusions are contained in the report of the commission to investigate the employment of migratory children in the State of New Jersey, just issued by the New Jersey Department of Agriculture, Trenton, N.J.:

"The reasons given by the farmer-employers for the employment of migratory family labor were mainly as follows: (1) Local help was not sufficient in number; (2) Italian family labor was more dependable and more reliable than local labor or other types, and (3) Italian family labor was experienced in agricultural work. This experience was gained in Italy as well as in the United States.

"The commission believes that the State is under obligation to make good the loss in education suffered by migratory children who work in essential New Jersey industries.

"It is believed that the use of local facilities would, for the most part, be impractical in furnishing special classes adapted to the needs and abilities of migrant children. More time is needed to study the educational problem in detail.

"The commission recommends the adoption and enforcement of a housing and sanitary code.

"Concerning the hours of labor of migratory children, it is believed that compulsory education will curb any tendency toward exploitation.

"In agreement with its findings, the commission is planning three bills to cover the three aspects of the problem; namely, compulsory education, hours of labor, and housing and sanitation."

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NEW YORK TO EXPERIMENT  
WITH FLAX PRODUCTION.

The New York Agricultural Extension Service has announced that it will cooperate with farmers who wish to make trials at growing flax. It is proposed that each prospective grower plant only one acre to learn the costs and the comparative worth of the crop as grown on different soils. Interest in flax growing in New York State is the outcome of recent developments in adjusting machinery used for cotton so as to handle flax. A new process of retting, or soaking, so the outer layers of the stalk come off and leave the fiber, has been developed. These improvements, with mechanical scrubbers, may reduce costs of preparing the fiber so that linen may compete with cotton, or with cheaper linen from other countries, the inventors assert. Fifty years ago, flax was an important crop in several counties in New York, but flax was discontinued because of wilt infestation, and largely because of competition from other sections.

BRIEFS

A NEW FARM MANAGEMENT BUILDING, 280 feet long, four stories high, and of light brick on a stone base, is being constructed by the New York State College of Agriculture. Nearly two years will be required to complete the structure.

LOWER FREIGHT RATES on both east and westbound grain, in response to a long continued fight led by shippers of the Pacific northwest, has been ordered by the Interstate Commerce Commission. The new rates will go into effect June 1.

ANNUAL AND VEGETABLE PLANTS, such as aster, cabbage and tomato plants, may hereafter enter and leave the District of Columbia without inspection and certification except such as may be required under the Japanese beetle regulations and other special quarantine orders. Herbaceous perennial plants, bulbs, and roots, will be admitted into the District without having been certified in advance in the State in which they were produced.

UNITED STATES STANDARDS for canned apricots, cherries and tomatoes, effective July 27, have been announced by the Secretary of Agriculture under authority of the Federal Food and Drugs Act.

PRODUCTION OF ORANGES AND GRAPEFRUIT is increasing faster than world consumption in practically all countries that grow citrus, says the Bureau of Agricultural Economics. Production is expected to continue to increase as non-bearing areas come into production the next few years.

REDUCED FLAXSEED ACREAGE this year in Argentina, United States, and India, influenced by decreased demand for linseed oil, is indicated in official reports to the Bureau of Agricultural Economics. Russia, however, is reported to be planning an increased acreage.

THE DRY BEAN INDUSTRY in the United States is confronted with a probability of the largest carryover in the last three years, according to the Bureau of Agricultural Economics. The carryover in Japan and Rumania, important exporting countries whose beans compete with those in the United States, promises to be larger than in the past two years unless domestic consumption in those countries should increase.

A GOOD DEMAND FROM WHEAT IMPORTANT COUNTRIES during the next two or three months is in prospect, says the Bureau of Agricultural Economics. The prospective improvement is predicated upon increases in the quota of foreign wheat which may be milled in France, relaxation of German restrictions, and evidences of reduced stocks in Continental European countries.

BAD EGGS last year cost Illinois farmers losses conservatively estimated at \$5,000,000, according to H. H. Alp, Illinois College of Agriculture. Most of the loss is attributed to production of fertile eggs during warm weather.

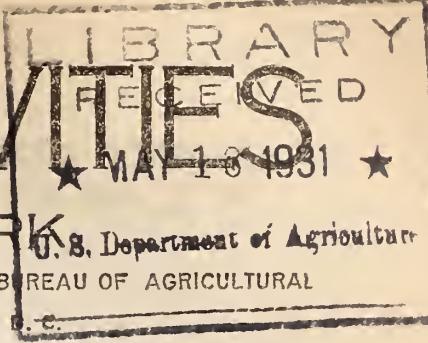
REDUCTIONS IN FERTILIZER TAG SALES IN THE SOUTH, probability of an acute water shortage in Egypt, and planting difficulties in Russia are reported in early advices to the Bureau of Agricultural Economics, in connection with the 1931-32 world cotton crop.

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STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



May 13, 1931

Vol. 11, No. 19.

### COTTON CONFERENCE APPROVES UNIVERSAL STANDARDS.

Sixty-five "key" sets of the Universal Cotton Standards were approved for use by American and European cotton exchanges and associations during the next two years, by the Fourth Biennial International Cotton Conference which was brought to a close today at the United States Department of Agriculture, Washington, D.C.

The final act of the conference was to seal and deposit in the United States Treasury the "first reserve set" which will be used two years hence as the basis for making up new "key" sets for distribution among the adherents to the international agreements on Universal Cotton Standards.

Various European delegates at the conference urged the Department of Agriculture to endeavor to bring improved ginning methods into practice in the United States. Department officials replied that an experimental gin has been established recently at Stoneville, Mississippi, where investigations are being made looking toward improved ginning practices.

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### MAX GEHLAR IS MADE DIRECTOR, OREGON DEPARTMENT OF AGRICULTURE.

The appointment of Max Gehlar as Director of the newly created Department of Agriculture in Oregon has been announced by Governor Meier of that State. Mr. Gehlar has been district attorney of Marion County and has represented the cherry growers of the Willamette Valley before the Federal Tariff Commission. Mr. Gehlar is said to be well versed in cooperative marketing practices and an advocate of cooperative marketing as a means of agricultural improvement.

The new department will become operative on July 1. Meantime Director Gehlar will organize the various branches of departmental activity.

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### PEANUT GROWERS TO ORGANIZE MARKETING ASSOCIATION.

A national marketing organization for the principal peanut growing regions of the southeastern states is in the making, following regional meetings of growers in Alabama, Florida, Georgia, and North Carolina, the Federal Farm Board has announced. Regional organizations are to be known as the Alabama-Florida Peanut Growers Cooperative Association, and the North Carolina Peanut Growers Mutual Exchange. Virginia farmers will meet at Suffolk, Virginia, June 2, to decide on the establishment of a regional organization for that State. Regionals are to be organized also in North Carolina and Georgia.

U. S. Dept. of Agriculture Library  
Attn., Miss McLean  
4 K Washington, D. C.

PENNSYLVANIA INVESTIGATING  
MIK TESTING METHODS IN STATE.

The discovery during recent months of irregularities in several plants buying milk from farmers on the butterfat basis, has prompted the Pennsylvania Department of Agriculture to inaugurate a thorough check-up on the methods of testing and the performance of testers in milk plants throughout the Commonwealth.

A large proportion of the 1300 milk plants and milk receiving stations in Pennsylvania pay for milk and cream on the butterfat basis. Department officials declare that "under-reading the test, a small fraction of one per cent means a loss of eight to ten cents per hundred pounds of milk to the producer. In several cases recently prosecuted, where losses to producers were proven, rebates were made on the basis of the difference in tests."

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ARKANSAS FARMERS TO MARKET  
WOOL COOPERATIVELY.

Many farmers in Arkansas will market their wool cooperatively this year for the first time, according to E. H. Reed, extension economist in marketing of the University of Arkansas. Last year, upon the organization of the Midwest Wool Marketing Association, a part of the national wool marketing system, several meetings were held to explain the "set-up," and 177 farmers marketed wool through the organization.

The initial advance last year, in many cases, was from one to five cents per pound more than could have been secured locally, Mr. Reed says. It is expected that the volume of wool marketed this year from Arkansas will be double that marketed last year.

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CALIFORNIA DAIRY INDUSTRY  
FACING CRITICAL PROBLEM.

California dairymen are facing a critical situation despite an estimated decrease of 2 per cent in number of cows and relatively high butter consumption in the State, according to E. C. Voorhies, California College of Agriculture.

Professor Voorhies says that in order to bring prices back "part way at least" it is necessary either to increase consumption, reduce production, or do both. He says that although there are indications that the increase in milk cows in the United States will be brought to a halt in 1932, there is a tendency to keep more cows than are necessary.

"Expansion," he says, "must not take place more rapidly than the growth in the human population."

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AN EGG AUCTION MARKET, to be established in July, is being sponsored by a producers' cooperative association recently organized by Bucks County, Pennsylvania, poultrymen. Pennsylvania State College is assisting in the organization activities.

ILLINOIS REPORTS RENEWED  
INTEREST IN HORSE POWER.

Horses were so popular as cheap power this spring that 3,015 farmers in 18 counties turned out to see 46 demonstrations on big-team hitches staged by the Illinois College of Agriculture. Hitches used in the demonstration ranged from 4 to 12 horses in size, and 16 of them included 8 horses or more.

A general interest in horses this year as a means of holding down production costs is reported from several States. Low prices for feed are causing farmers to make full use of their teams.

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GRAIN STABILIZATION STOCKS  
SHOWN TO BE OF HIGH QUALITY.

A survey of grain stabilization wheat stocks, made by the Bureau of Agricultural Economics between March 18 and April 15, showed a little more than 98½ per cent to be in good or normal condition for milling purposes, the Federal Farm Board has announced. The inspection covered 226 elevators. George S. Milnor, general manager of the Stabilization Corporation, has announced that the remaining 1½ per cent of wheat not suitable for milling is being disposed of for feeding purposes.

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IOWA FARMERS HAVE POOREST  
YEAR IN EIGHT SEASONS.

With a decrease in net farm income of slightly more than \$2,000 in 1930 as compared with 1929, Iowa farmers had the poorest year from a financial standpoint since 1922 when the farm accounting project was started, Iowa State College has announced. The figures are based upon 705 farm accounts kept by Iowa farmers in 55 counties.

"Management return" in 1930 was \$1,840 less than in 1929, when 650 farms showed a management return of \$560 after all expenses were paid and the current rates of interest on capital invested and the pay for operators' labor were deducted. In 1930 the 705 farmers lacked \$1,280 of paying current interest rates, expenses and wages.

One of the most important factors in the decline was a decrease in return per \$100 worth of feed fed to livestock from \$152 in 1929 to \$115 in 1930. Farmers who have kept records for several years show between \$400 and \$500 more net farm income than farmers who kept records for the first time in 1930, the report shows.

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VIRGINIA CATTLE PROBLEMS  
ANALYZED IN SURVEY.

Marketing problems of Virginia cattle raisers are closely related to production problems, according to an economic survey by the Federal Bureau of Agricultural Economics. Results of the survey have been published in Technical Bulletin 237, entitled "Economic Factors Affecting the Beef-Cattle Industry of Virginia."

NORTH CAROLINA QUARANTINES  
TOBACCO GROWN IN GEORGIA.

A quarantine regulation that prohibits the movement of Georgia grown tobacco plants into and within the State of North Carolina has been issued by Commissioner of Agriculture William A. Graham of North Carolina, following the discovery of a disease known as "blue mold" in five counties of Georgia. "Blue Mold" causes the death of young plants, either in the tobacco bed or in the field after the plants are set out. Cases are known where the entire field of tobacco has been wiped out by the disease.

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OKLAHOMA REPORTS ON FARM  
EARNINGS FOR TWO YEARS.

Farmers enrolled as account demonstrators with the Extension Division of the Oklahoma Agricultural and Mechanical College received smaller earnings in 1930 than in any other year since the project was begun, according to Peter Nelson, extension economist.

The amount received by operators for their labor and management after paying five per cent interest on the farm investment ranged from a net gain of \$5,447 to a net loss of \$1,426 in 1929. In 1930 the operator's pay for labor and management varied from a net gain of \$2,288 to a net loss of \$4,999.

Decreased inventory values of livestock and crops resulting from drastic declines in prices of farm products account for the low earnings in 1930. Operators who received the highest labor income in 1929 also received the highest labor income in 1930.

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LARGE SCALE FARMS IN  
CORN BELT "IMPROBABLE."

"Large scale farming requires specialization to be especially successful, and a high degree of specialization in the Corn Belt is not probable," in the opinion of Dr. A. G. Black, Iowa State College.

Dr. Black says that "livestock production does not lend itself well to large scale production, particularly the production of hogs and feeding of cattle, the two most important livestock enterprises. My own prophecy would be that there will not be many large farms or corporation farms created in the Corn Belt. I would expect a material increase in the size of the individual farm, however, during the next two decades."

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PENNSYLVANIA FARMERS  
"PAY TOO MUCH TAXES."

Taxes paid by Pennsylvania farmers amount to 38 per cent of their net income, according to Dr. F. P. Weaver, Pennsylvania State College. In one year, Dr. Weaver says, the agriculture of the State paid \$11,000,000 more taxes than if the assessments had been based on incomes comparable to the average for other enterprises. Much of the excessive taxation borne by farmers is the result of real estate carrying too large a share of the total tax burden, he says.

NORTH CAROLINA URGES COTTON  
AND TOBACCO REDUCTION.

A plea to North Carolina farmers to reduce production of tobacco and cotton has been issued by Commissioner William A. Graham of the North Carolina Department of Agriculture.

Commissioner Graham says that "one year's reduction will not solve the problem; reduction must continue over a period of years, or until such a time as those to whom you practically gave your 1930 crop are in need of more. Then, and not until then, will you be able to sell your tobacco at a profit. Legislation would not help you in this matter; you must act in unison, and with a definite purpose in view, or you will continue to dispose of your crops as though they were so much grass."

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PENNSYLVANIA GRADING OF  
PRODUCTS SHOWS INCREASE.

Pennsylvania growers sold \$2,500,000 worth of graded and officially inspected products during the past season, according to D. M. James, Pennsylvania Bureau of Markets. This is an increase of approximately \$1,000,000 over the estimated value of graded products sold during the previous season.

A total of 2,975 carloads of graded and Federal-State inspected fruits were shipped and 44,000,000 pounds of raw cannery products were sold on a graded basis during the 1930-31 period, compared to 2,276 carloads of fruits and 13,000,000 pounds of cannery products during the 1929-30 season.

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BRIEFS

EXTENSION WORK in agriculture and home economics in Alabama would be enlarged under a bill now before the Alabama Legislature.

AGRICULTURAL EXPORTS in March increased so as to raise the Department of Agriculture index figure to 87 per cent of the prewar level, as compared with 71 in February, and with 82 in March a year ago. Increased exports of all products except animal products, tobacco and lard in March lifted the index above the February figure.

RATED STORAGE CAPACITY at 14 of the largest grain markets of the United States was 343,595,000 bushels April 1 as compared with 301,859,000 bushels at these markets on July 1, 1930, according to the U. S. Bureau of Agricultural Economics.

RUSSIA IS LAGGING FAR BEHIND in its grain sowing schedule this spring, according to cable dispatches received by the U. S. Bureau of Agricultural Economics from Agricultural Attaché Steere at Berlin. If present information is correct, the situation so far appears to be "the most unfavorable in years for the Russian crop," says the bureau.

TENTATIVE PLANS for organizing cooperative wool pools in twelve counties in Illinois are reported by the Illinois Agricultural Association.

THE TEXAS LEGISLATURE has recently passed one bill and two resolutions relating to soil conservation. The bill authorizes the employment of county and State road machinery, while not in use on the roads, for constructing terraces on privately owned lands.

A SLUMP IN FARM REAL ESTATE VALUES in nearly all States during the year ended March 1, 1931, carried average values to new lows since the post-war agricultural depression, 9 points on the index below last year, or about 8 per cent less than the average for last year, according to the Bureau of Agricultural Economics.

WOOL PRODUCTION in the United States is expected to be somewhat larger than last year's clip in view of the increased number of sheep and favorable weather conditions, according to the Bureau of Agricultural Economics. The final estimate for all countries is considered as likely to be slightly below the 1929 total instead of slightly above, as previously reported.

DECREASES in the quantity of whole milk used in the manufacture of milk chocolate and chocolate coatings, but increases in the quantity of skim milk and sweet buttermilk used in this industry, in 1930 as compared with 1929, are reported by the Bureau of Agricultural Economics.

PUBLICATIONS  
(B.A.E. Mimeographs)

"Marketing the Georgia Peach Crop, 1930 Season," by R. H. Shoemaker.  
"Marketing Mississippi Vegetables, 1930 Season," by H. E. Rutland.  
"Operation Problems of State-Federal Shipping Point Inspection," by R. C. Butner.  
"Grade and Staple of Alabama Cotton Crops of 1928 and 1929."  
"Standard Grades for Wisconsin Tobacco, U. S. Types 54 and 55."  
"The Price Situation," radio talk by Dr. O. C. Stine, April 16.  
"The April Poultry and Egg Market," radio talk by Roy C. Potts, April 27.  
"Grade, Staple, and Tenderability of the 1930-31 Crop," radio talk by W. B. Lanham, April 17.  
"The Cattle Feeding Situation in April," radio talk by C. L. Harlan, April 16.  
"The Agricultural Situation," radio talk by J. Clyde Marquis, May 1.  
"April Grain Markets," radio talk by G. A. Collier, April 30.  
"April Dairy Markets Situation," radio talk by L. M. Davis, April 29.

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"AN ECONOMIC STUDY OF THE SMALL-FRUIT INDUSTRY IN OREGON," has been issued as Station Bulletin 274 by the Oregon Experiment Station, Corvallis, Oregon.

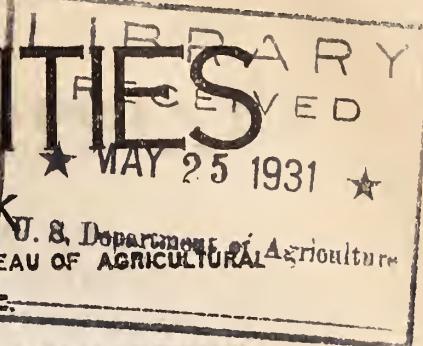
"ECONOMIC ASPECTS OF LAND SETTLEMENT IN THE CUT-OVER REGION OF THE GREAT LAKES STATES," has been issued as Circular 160 by the U. S. Department of Agriculture.

"SELECTING THE MOST PROFITABLE SYSTEM OF DRY-LAND FARMING IN EASTERN NEW MEXICO," has been issued as Bulletin 188 by the New Mexico College of Agriculture, State College, N. M.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.



May 20, 1931

Vol. 11, No. 20

NEW JERSEY SURVEYS SIZE  
OF POTATO SACKS IN USE.

The 100-pound potato sack is in general use in the south central Mississippi Valley section, and extending west to the Pacific Coast, as well as in Maine and Wisconsin; the two-bushel sack is in greatest use in the North central area west of Wisconsin, and in Pennsylvania, and the 150-pound sack predominates in the northeastern part of the United States, according to the New Jersey Department of Agriculture, in a report of the results of a recent survey.

The department says that the general trade is largely in favor of the 100-pound sack, with second preference for the 120-pound size. In chain store trade the preference is decidedly for the 100-pound unit, and for even small containers such as 15- and 25-pound sacks from Idaho, some 50-pound sacks from Washington, and 90-pound sacks from Canada.

New York is classed as a 150-pound market; Cleveland and Pittsburgh largely favor the 120-pound size; Philadelphia and Baltimore have a distinct preference for 100-pound sacks. The survey indicated that in general the 100- and 120-pound sacks sell f.o.b. proportionately the same as the 150-pound size.

The trend is said to be toward a more universal use of the 100-pound sack because it is more easily handled, it is a unit equal to that used in hundredweight purchasing from growers, and in computing freight rates, and it is in most general demand by the trade. Its disadvantages are a proportionately higher cost for sack and twine, and for labor in sacking, sewing and loading.

A mimeographed report of the survey may be obtained from the New Jersey Bureau of Markets.

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NORTH DAKOTA REPORTS ON  
TRACTOR COST STUDY.

Detailed records of cost of tractor operation on the farms in North Dakota in 1928 and 1929 show an annual total cost of \$497 per tractor, according to Rex E. Willard, farm economist, North Dakota Agricultural College. In some cases the tractors were operated less than 20 days of 10 hours each whereas in other cases they were operated 150 days. The approximate distribution of costs per tractor was: Annual depreciation, \$101; interest on investment, \$60; fuel, \$294; repairs, \$24.

The machines averaged approximately 65 days of work per year, at an average cost per day of about \$7.35. For the tractor that plows 8 acres per day of 10 hours each, the power cost per acre is slightly less than \$1. The study showed that tractors operated less than 50 days per year are not able to compete with horse power from the standpoint of cost of operation.

NORTH CAROLINA FINDS APPLES  
COST FIFTY CENTS A BUSHEL.

Brushy Mountain (North Carolina) apple growers can produce their crops at a cost of 50 cents a bushel, according to H. R. Niswonger, extension horticulturist in that State, after conducting a series of cost-finding demonstrations with four prominent growers in the Brushy Mountain area.

The cost of growing the apples to maturity was 23 cents a bushel; picking the crop cost 5 cents a bushel, and all overhead charges amounted to 22 cents a bushel. The four growers kept records on 7,250 trees from 8 to 20 years old. They were of the Limbertwig, Delicious, Stayman, and Bonum varieties, and produced 7,530 bushels of marketable fruit last season. The cost of production was somewhat higher than usual due to the poor crop.

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OREGON HAS LEGISLATION  
ON BUTTER GRADING.

Legislation requiring all creamy butter manufactured or sold in Oregon to be graded upon a 100 point basis will become effective in that State on June 5. The basis is: flavor 45; body and texture 25; color 15; salt 10; package 5. The grades are to conform to those of the United States Department of Agriculture. The State Dairy and Food Commissioner has been charged with enforcement of the law. Grading must be done and the product plainly labeled prior to sale whether at the creamery or elsewhere.

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CALIFORNIA ECONOMIST SAYS  
FOUR FACTORS MAKE FRUIT PRICES.

Supply, quality, buying power of consumers and volume of competing fruits are the four major factors that determine the prices paid for California fruits, according to H. R. Wellman, California Agricultural Extension Service.

Dr. Wellman says that while the trend of production of summer oranges has increased 100 per cent, demand also had increased and the trend of prices had not decreased. This, he says, was brought about by improvement in quality of pack, wider distribution, development of new outlets, extensive advertising, and the active participation of nutrition workers in advocating the wider use of oranges.

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PACIFIC COAST HANDLING  
MORE GRAIN IN BULK.

Bulk handling of grain is steadily replacing the marketing of grain in sacks in the Pacific Coast States, according to grain marketing specialists of the Bureau of Agricultural Economics.

The change in the methods of handling grain is attributed primarily to the construction of terminal elevators in Pacific Coast States, and to the establishment of other bulk handling facilities designed to reduce marketing costs in competition with foreign exporters of grain. The quantity of bulk grain exported from Columbia River markets to foreign countries, as compared with sacked grain, has increased from 1.4 per cent in the year 1921, to approximately 94 per cent now.

NORTHEASTERN COOPERATIVES  
DO LARGE VOLUME OF BUSINESS.

Six hundred and three local and regional cooperative associations in Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland and West Virginia did a total business of \$329,497,485 in 1929, according to a survey by the Federal Farm Board. Most of the associations are locals.

The Farm Board says that "facts brought out in the survey emphasize the necessity for federating the farmers' associations into larger central cooperative sales agencies. By concentrating into regionals the volume of products handled by locals, the cooperatives in the northeastern states will control the marketing of a larger volume of various commodities. This would eliminate competition among locals in their own states and put them in position to cooperate more effectively with organizations handling the same commodity in other parts of the country."

The survey was conducted jointly by the Federal Farm Board and State agricultural colleges, experiment stations, extension services and departments of agriculture. An analysis is being made of the facts concerning each commodity produced and sold cooperatively in the northeastern States and will be announced later by the Farm Board. The detailed results of the survey conducted in each of the twelve States will be published by the various agricultural colleges.

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APPLE GROWERS URGED TO  
CONCENTRATE ON FEWER VARIETIES.

Only a few of the 800 standard varieties of apples in orchards in the United States are, or probably ever will be, of real commercial importance, according to the Bureau of Agricultural Economics in Technical Bulletin 234, in which are reported the results of a survey of apple marketings from the Cumberland-Shenandoah States. In some years, 60 per cent of the commercial crop from this region goes to Europe, but increasing competition is being encountered from northwestern apple growers, according to the report.

Growers in the Cumberland-Shenandoah region are urged to improve orchard practices so as to produce a larger volume of unblemished fruit; to practice strict and uniform grading and packing methods; extension of the marketing season through storage, and development of home markets by catering to the customary preferences of the trade.

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MISSOURI STUDIES SWEET  
POTATO PRICE FACTORS.

The production of sweet potatoes and the price of white potatoes account for 93.9 per cent of the annual price variations of sweet potatoes, according to Missouri College of Agriculture in Bulletin 302 just issued on the subject "Factors Affecting Sweet Potato Prices in Missouri".

Changes in acreage and yield, respectively, are responsible for 69 and 29.8 per cent of the annual fluctuations in production of sweet potatoes, on the average. Variations in acreage of sweet potatoes in Missouri are influenced by producers' reactions to changes in sweet potato and cotton prices, it is said.

NEW JERSEY SECRETARY SEES  
BETTER FARM CONDITIONS AHEAD.

"New Jersey, in 1950, will have more than 1,500,000 acres of land under cultivation and many of our intensive farming operations will be much more common than today," according to William B. Duryee, New Jersey Secretary of Agriculture. "In 1950, agriculture will still be our greatest single industry, with an annual output exceeding \$100,000,000 in value. The farmers of the state will have turned over to midwestern areas the production of grain and other raw products and will be concentrating on the production of finished products such as eggs, milk and the more intensive fruit and vegetable crops.

"There will be a better understanding and application of the most suitable economic units of area for farms. It is difficult to say whether the average farm will be larger or smaller in area by 1950, but we have no reason to believe that the very large-scale farm project will be of any greater importance than it is today, except where a united effort on the part of a number of farmers retaining their individual initiative will result in greater concentration of output and greater efficiency in production.

"A recent study of large-scale farming operations in the state does not indicate that these large units will crowd out individual farmsteads under the conditions that will exist in the next two or three decades. Lower costs of production will enter into the picture in New Jersey and these lowered costs will result from less human labor. The extent to which human labor is employed will be smaller than at any time since the war.

"By 1950, this generation will have learned its lesson in practical economics and there will be definitely fewer governmental operations intended to aid agriculture artificially. We look forward to an increasing mechanization of agricultural operations, improved living conditions for farmers and a more equitable system of taxation, under which real estate would carry less of a burden than at present."

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OREGON DEPARTMENT OF AGRICULTURE  
TO SUPERVISE MANY ACTIVITIES.

The Oregon Department of Agriculture, recently created, will succeed to and be invested with the powers and duties of the state board of horticulture, pure seed board, state livestock sanitary board, state veterinarian, state dairy and food commissioner, state chemist, state bacteriologist, advisory livestock branding board, stallion registration board, state fair directors, state market agent, state lime board, and committee on agricultural lime.

County bee inspectors, fruit inspectors, meat and herd inspectors and veterinarians will be appointed by the county courts as now provided by law but these appointments will be subject to the approval of the director of agriculture. County stock inspectors will be appointed by the director upon recommendations of the cattle and horse raisers association of Oregon.

County fair boards and county grazing boards will make annual reports to the department upon blanks furnished by the director.

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UNITED STATES GRADES for canned corn (whole grain style), and for canned lima beans have been issued by the Bureau of Agricultural Economics, U.S. Department of Agriculture.

NEW MEXICO REPORTS ON  
ECONOMIC PROJECTS.

The progress of economic projects by the New Mexico College of Agriculture during the year ended June 30, 1930, is described by the college in its forty-first annual report. The projects include the economics of sheep production in New Mexico; farm business analysis and historical study in Curry and Roosevelt Counties, with enterprise cost studies on butterfat production; the determination of the economic possibilities of the storage and keeping quality of New Mexico eggs; cost of marketing New Mexico grown fruits and vegetables; a farm organization and related market outlook study in the middle Rio Grande conservancy district, and the determination of the market qualities of New Mexico eggs.

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PLASTER MODELS ILLUSTRATE  
GOVERNMENT HOG GRADES.

Plaster models are now being used to demonstrate Government standards for grades of livestock, several sets of plaster models having been made recently to illustrate standards for three types and six grades of slaughter hogs. These have been placed on exhibition by the Bureau of Agricultural Economics at the leading livestock markets. Shipping association managers, packers, and buyers declare the models useful. Livestock market reporters may use them in reporting trade conditions and prices on a grade basis. The models are said to be the most effective device yet tried for giving to many minds the same picture of the standard for a Choice, Good, and Medium grade animal.

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BRIEFS

WARNINGS against large-scale plantings of hemp except in localities where experience has shown that profitable crops may be expected have been issued by the Federal Bureau of Plant Industry. The warning is directed primarily at the "enthusiastic" sales-promotion talk put out by companies organized to exploit new hemp-scutching machines.

PERSONS who undertake to settle lands in undeveloped cut-over forest regions of the Great Lakes States in the next ten years or so are likely to come to grief unless the lands offer unusual opportunities for farm production and for marketing at low cost, say W. A. Hartman, U. S. Department of Agriculture, and J. D. Black, Harvard University.

MARKETING MISSISSIPPI TOMATOES, 1930 Season, by H. E. Rutland, has been issued by the Bureau of Agricultural Economics, in mimeograph. Another report is entitled "Marketing Imperial Valley Cantaloupes, 1930 Season," by R. H. Lamb and L. T. Kirby.

"VARIATIONS IN LOCAL PRICES FOR FARM PRODUCTS AND SUPPLIES IN MISSOURI" has been issued as Research Bulletin 151 by the Missouri College of Agriculture, Columbia, Missouri.

## HOW TO MARKET HAY BY U. S. STANDARDS

By W. R. Crispin,  
U. S. Bureau of Agricultural Economics

Contracting or selling hay "to arrive" and shipping on consignment are the two principal ways of marketing hay. In recent years selling "to arrive" has rapidly gained in favor on account of an increase in direct shipments from producing to consuming areas and also because of longer freight hauls and higher freight rates, which make necessary a more conservative method of doing business.

In selling hay "to arrive" the contract is of paramount importance for without a definite binding contract a sales agreement can not be enforced in case of dispute. A contract should specify quantity; quality, as evidenced by class and grade; point at which inspection governs; time of shipment or delivery; routing, if any special routing is desired; price and where it applies; whether shipper's, destination or official weights govern; and terms of payment.

All trades should be confirmed the same day by letter. Many dealers have regular contract forms which are made out in triplicate one copy being filed, the original being signed and forwarded to the purchaser for his records, and a copy forwarded to the buyer for his signature which is then returned to the seller for his record. Regular confirmation forms are desirable because they decrease the likelihood of overlooking any essential terms and specifications and also because a confirmation requiring a signature will be checked carefully and any misunderstanding as to terms can usually be straightened out before shipment is made. It is a comparatively simple matter to write a contract covering all these specifications except the quality specification, which is the cause of most controversies in filling contracts.

Standards or grades are of inestimable benefit in trading if the buyer is unable to see the hay at the time of purchase. The value of any set of standards is in direct proportion to their soundness and adaptability to different kinds and qualities of hay. In other words, will they work? Do they reflect feeding value? Are they definite and yet descriptive? Do they give you a word picture of the hay? The U. S. hay standards provide a satisfactory answer to all of the above questions. By their use the buyer and seller speak a common language, since these standards are national in character and are interpreted uniformly throughout the country.

Official U. S. standards for the inspection and certification of the most common kinds of hay entering commerce have been formulated and promulgated by the U. S. Department of Agriculture. They consist of numerical grades U. S. No. 1, U. S. No. 2, and U. S. No. 3 based on definite leafiness, color, and foreign material requirements for alfalfa, alfalfa light grass mixed, alfalfa light timothy mixed, alfalfa clover mixed, alfalfa light Johnson mixed, and alfalfa light grain mixed. The grading factors on other kinds of hay are color and foreign material.

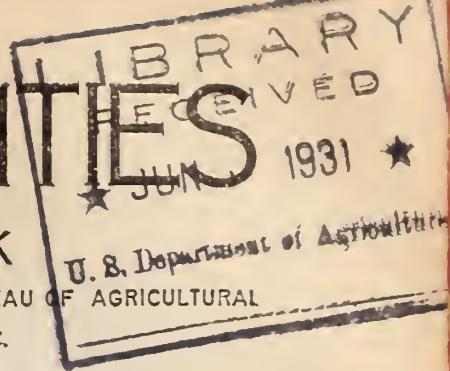
Hay which is undercured, heating, hot, wet, musty, moldy, caked, or which otherwise fails to meet the requirements of the numerical grades is graded U. S. Sample grade. A few special grades are provided to cover those occasional lots which are superior as to leafiness, color, or texture, or inferior as to texture. The special grades have the effect of splitting the grades and give a more complete description of the hay.

(To be concluded)

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



May 27, 1931.

Vol. 11, No. 21

LICENSE REVOKED UNDER  
PERISHABLE COMMODITIES ACT.

Revocation of the license of Burton & Briel, Inc., produce dealers of Richmond, Virginia, has been announced by the U. S. Department of Agriculture, acting under authority of the Perishable Agricultural Commodities Act which was enacted by the last Congress. The license is the first to be revoked under the provisions of the Act.

The department found that "this licensee collected a loss and damage claim of \$35 on a shipment of watermelons from Georgia sold on commission and failed to credit or pay over to the shipper any part of the said \$35; that in another case this licensee tendered various invalid checks in the sum of \$463.52 and thereafter failed and refused to make any payment or settlement for a car of apples received on consignment from the State of New York, the net proceeds from which amounted to this sum; that this licensee also failed or refused to pay to certain shippers in Florida the sum of \$3,510.32, the net proceeds of the sale of seven cars of oranges received for sale on commission; that this licensee also turned over to two other licensees in Richmond five carloads of onions received from the State of Massachusetts for sale on commission and maintained open accounts with the firms to which these onions were sold, receiving payments in lump sums, and did not keep such records of the sales made from individual cars as would fully disclose his transactions."

"These violations," the department found, "were flagrant and repeated," and it has "therefore revoked the license of Burton & Briel, Inc., No. 2254, and has ordered publication of the facts as authorized by Section 8 of the Act."

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NEW JERSEY FARM  
MECHANIZATION INCREASED.

Animal power on New Jersey farms is "slowly but surely" being displaced by mechanical energy, according to W.C. Krueger, New Jersey Experiment Station, citing a decrease of 46 per cent in number of horses and 39 per cent in number of mules on farms during the ten-year period ended 1930.

Mr. Krueger says that the general-purpose tractor has replaced horses on many potato farms, the acreage served by stationary spray plants has been greatly increased, many dairy barns have been built or remodeled to facilitate the production of high-quality milk, and numerous installations have been made of dairy refrigeration plants. The investment in implements and machinery, he says, has increased 15 1/2 per cent for the State, and an average of 39 per cent a farm, the present average investment in implements and machinery on New Jersey farms being placed at \$1,105, compared with \$795 in 1925.

DELAWARE TO INSPECT  
STRAWBERRIES AT SHIPPING POINT.

Federal-State shipping point inspection on strawberries at Selbyville, Delaware, to begin about June 1 this year, has been announced by the Delaware Bureau of Markets. W. T. Derickson, Director of the Bureau, says that growers and buyers were so well pleased with the service last year that they have requested its re-establishment this season. Shipments will begin about June 1, which is approximately two weeks later than last year.

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ILLINOIS FINDS IT UNPROFITABLE  
TO HOLD BACK MARCH PIGS.

Not once during the past ten years has it paid to follow the rather common practice of holding back March farrowed pigs and putting on the last 100 pounds of their gain with new corn in the fall, according to W. E. Carroll, Illinois College of Agriculture. He says that the estimated loss on the basis of 225-pound hogs has varied from 78 cents to \$8.36, with an average loss of \$2.88 on each hog held back for finishing on new corn. During the past 22 years there was not one year in which the November or the December average price of light hogs was higher than the September price, Mr. Carroll points out. He says that any pig that is farrowed before April 1 should be ready for market in September or at the latest, early October, if the pig is maintained in good health and kept free of parasites.

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TENNESSEE FINDS LIVESTOCK  
MAJOR SOURCE OF INCOME.

Business records kept by ten Franklin County, Tennessee, farmers in 1930 show that livestock was the major source of income on the farms that made the most money, says the Tennessee Agricultural Extension Service. These farmers also grew some crops to sell.

The largest receipts on the high income farms were from cattle. On two of these farms dairying was a major enterprise and all of the high group sold considerable dairy products. The high income farms, with one exception, were smaller than the low income group but their receipts per acre were three times as much as the low group. The high group had an average of one-third more cows per farm than did the low group and their receipts per cow were higher.

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IOWA CITES COSTS OF  
HARVESTING CORNSTALKS.

Harvesting stalks with a corn binder, husker-shredder and baler costs about \$7 per ton under average conditions, according to the Iowa Agricultural Experiment Station in Bulletin 274 "Harvesting Cornstalks for Industrial Uses." Harvesting by breaking, raking and baling in the field costs, under average conditions, about \$3.55 per ton.

TEXAS APPLIES COTTON FARMING  
METHODS TO ONION PRODUCTION.

Large-scale farming operations, common among cotton planters in the territory, are being applied to the growing of onions in the Corpus Christi section of Texas, according to W. D. Googe, field representative of the Federal Bureau of Agricultural Economics.

The onions were planted with seed direct to the fields in three-foot cotton rows. Cotton planters were used in putting out the seed; tractors and other modern machines were used in cultivation, and one farmer is reported to have harvested, graded, sacked, and loaded into cars a 2,500-acre crop in four days.

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NEW JERSEY MILK PRODUCER  
USING PROPOSED STATE GRADES.

Milk grades advocated for official adoption by the State of New Jersey are being used by the New Jersey Dairymen, Inc., a cooperative organization of New Jersey milk producers, according to the New Jersey Department of Agriculture. The organization is said to be selling a daily average of from 48,000 to 50,000 quarts of milk, graded New Jersey Grade A Raw and New Jersey Grade AA Pasteurized. The milk is sold in bottles capped with the association's labels which bear the date of production of the milk and the grade, and a small outline of the State to indicate that the milk is produced in New Jersey.

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PACIFIC NORTHWEST GROWERS  
HAVE NEW MARKETING PLAN.

Pacific Northwest fruit and vegetable cooperatives are opening the present canning season under a new system of marketing whereby six local canning organizations in Oregon and Washington have unified their sales efforts through a grower-owned and controlled regional cooperative known as the North Pacific Canners and Packers, Inc., Portland, Oregon, the Federal Farm Board has announced. The regional's six member associations handled \$3,000,000 worth of business during the 1930-31 season. Sixteen different kinds of fruits and vegetables are marketed.

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FEDERAL HEARING TO BE HELD  
ON STEM RUST QUARANTINE.

A hearing to consider revision of Quarantine No. 33, on account of the black stem rust of grain, will be held in Washington, D.C., June 9, the Secretary of Agriculture has announced. The quarantine covers all States except Colorado, Illinois, Indiana, Iowa, Minnesota, Michigan, Montana, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin, and Wyoming. It is now proposed to include these States with the 35 States now quarantined and to restrict interstate shipments between States that are now eradicating barberries.

BRIEFS

UNITED STATES STANDARDS for plums and prunes (fresh) have been issued by the Federal Bureau of Agricultural Economics.

A REDUCTION IN WORLD WHEAT ACREAGE outside Russia and China for the 1931-32 season is definitely in prospect, says the Federal Bureau of Agricultural Economics. Indicated acreage in nineteen countries, which represent about three-fourths of the world wheat area outside Russia and China, is 181,865,000 acres for the 1931-32 season compared with 185,278,000 acres last year.

THE ECONOMIC POSITION of New Jersey farmers is much stronger than that of producers of virtually all other sections of the country, says Prof. A. G. Waller, New Jersey Agricultural Experiment Station. He cites fewer changes in ownership of farms, higher index of land values, and smaller increase in mortgage indebtedness, in New Jersey as compared with the averages for the United States, in support of his statement.

A SERIES OF FIELD EXPERIMENTS in the distribution and placement of fertilizer is being made with fertilizer distributing machines on potatoes by the United States Department of Agriculture in cooperation with experiment stations in New Jersey, Ohio, and Michigan, and the National Fertilizer Association.

A NEW SAFETY CODE for terminal grain elevators has been prepared by David J. Price, chemical engineer of the U. S. Department of Agriculture, and chairman of the National Fire Protection Association committee on dust explosion hazards in industrial plants.

STATE FORESTRY APPROPRIATIONS last year totalled \$7,297,935, of which \$2,555,329 was appropriated by 38 States for fire protection in cooperation with private landowners and the Federal Government. A total of \$1,106,711 was used by 40 States for growing tree planting stock and for reforestation. More than \$2,308,000 was appropriated for purchase, maintenance and improvement of State forest lands.

TEMPORARY RESTRICTION of sales of timber from the National forests, as a means of relieving the serious depression now confronting the lumber industry, has been ordered by the United States Forest Service. The restrictions apply to sales in excess of \$500.

MODIFICATION of the plan of classification of nurseries, greenhouses, and other premises concerned in the movement of nursery and ornamental stock, under the Japanese beetle quarantine regulations, has been announced by the Secretary of Agriculture, effective June 15.

"THE BUDGET METHOD of Improving Farm Organization and Management" is described in Bulletin 312 of that title, issued by the Kentucky Agricultural Experiment Station, Lexington, Ky.

PUBLICATIONSBureau of Agricultural Economics Mimeographs:

"Grade and Staple of Arkansas Cotton Crops of 1928 and 1929."

"The 1930 Wheat Movement as Affected by Recent Trends in Marketing." by Carlos E. Campbell.

"Marketing Western New York Lettuce, 1930 Season," by A. L. Thomas.

"Uses and Products Made of Corn, Supplement 3," by C. Louise Phillips and E. G. Boerner.

"The Ohio Farm Bureau Federation from the Farmers' Viewpoint," by T. B. Manny and R. C. Smith.

"Wholesale Price Index Numbers by Groups and Months, United States, 1890 to 1931."

"Estimated Numbers of Apple Trees by Varieties and Ages in Commercial and Farm Orchards in Utah." Similar reports issued for Kansas and New York.

"What's Happening in Farm Land Values," radio talk by Dr. L. C. Gray, May 14.

"May Cattle Markets." radio talk by C. V. Whalin, May 13.

"World Agricultural News," radio talk by Asher Hobson, May 7.

"The Price Situation," radio talk by C. M. Purves, May 15.

"Review of the 1930 Cotton Crop Reports," radio talk by V. C. Childs, May 21.

"Fruit and Vegetable Prospects on May 1," radio talk by Paul L. Koenig, May 11.

"Grain and Forage Crop Prospects on May 1," radio talk by Joseph A. Becker, May 11.

"May Hog Market," radio talk by C. A. Burmeister, May 19.

State Publications:

"Work of the Bureau of Markets of the New York State Department of Agriculture and Markets, 1930," has been published by that department, Albany, N. Y.

"Standardization of Milk for the Manufacture of American Cheese," Bulletin 108, University of Wisconsin, Madison, Wisc.

"Fifth Annual Report, Commissioner of the Connecticut State Department of Agriculture," issued by Connecticut State Department of Agriculture, Hartford, Conn.

"Sixteenth Annual Report of the Wyoming Agricultural Extension Service, Year ended December 1, 1930," Bulletin 6 by that service, Laramie, Wyo.

"The Utilization of Dry Skimmilk in the Manufacture of Ice Cream and Cream Cheese," Technical Bulletin 174, New York State Agricultural Experiment Station, Geneva, N. Y.

## HOW TO MARKET HAY BY U. S. STANDARDS

By W. R. Crispin,  
U. S. Bureau of Agricultural Economics

(continued from May 20 issue)

Rejections of hay sold on Federal grades are surprisingly few in number, especially in view of the fact that where selling competition is very strong, sellers often quote a low price and furnish hay of as poor quality as is permitted in the contract grade, "liner cars."

In shipping hay on consignment the seller may be able to place his hay to better advantage than by selling "to arrive." On the other hand, he takes a chance of the hay arriving on a lower market. He must also pay a commission or brokerage and other handling charges. Ordinarily consignments are made only to terminal markets.

Unevenly loaded cars or mixed lots can usually be handled to better advantage by consigning. At certain seasons of the year when shipping orders are scarce, consignments frequently net more money. It is a good policy to consign a car occasionally to feel out the market and to learn values even when one makes a practice of selling "to arrive." In shipping hay on consignment, definite standards serve as a protection to the shipper and prevent many business disputes.

Descriptive selling is a common method of merchandizing hay, especially for the medium and lower grades. Descriptive terms such as "sound brown alfalfa," "pea green dairy alfalfa," good feeding timothy," etc., however, do not lend themselves to binding contracts inasmuch as the buyer's idea of quality may differ radically from those of the seller. Contracts based on such terms can not be enforced since they can not be interpreted definitely. The natural tendency of the seller is to over-describe and the buyer is often looking for a reason to reject the hay, especially on a lower market.

One of the big problems in marketing hay is the relatively high proportion of low grade hay entering commercial channels. It is difficult to sell poor quality hay by grade. This is probably the result, in part, of the practices of some dealers who quote hay in glowing descriptive terms and then fill orders with No. 3 or Sample grade hay. The buyer basing his ideas of quality on this hay quite naturally is not interested in quotations of the lower grades.

The hay grower in a surplus producing section should try to produce the quality of hay that the consumer wants. High grade hay always commands premium prices and better production methods would prove highly profitable to producers.

Uniform loading of cars is of primary importance in marketing hay, because few orders are received for split cars or mixed lots.

Unevenly loaded cars should never be supplied on contracts for cars of uniform grade, because in most cases the hay will be rejected and the shipper will be placed at a disadvantage in disposing of rejected hay. Mixed lots of hay often sell on the basis of the poorest quality of hay in the car.

Hay should be sorted either when it is baled or when it is loaded. Shipments of new hay should be loaded with the bales flat, always load with the bales on edge or on end as this permits better aeration and the hay is less likely to "go out of condition" in transit. The buyer should insist that either a partial or complete Federal inspection certificate, preferably the latter, be attached to the draft.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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June 3, 1931

Vol. 11, No. 22

HEARINGS HELD UNDER  
PERISHABLE COMMODITIES ACT.

Public hearings of several cases under the Perishable Agricultural Commodities Act will be held in Boston and Long Island this week and next by the Bureau of Agricultural Economics. The Boston hearing involves the alleged "rejection without reasonable cause of a car of grapes," and the Long Island hearing the alleged "failure to deliver certain cars of potatoes in accordance with the terms of contract." A hearing was held in Richmond, Virginia, May 28 on a complaint "alleging failure to keep adequate records," and another hearing in Richmond on the 29th dealt with the alleged "unjustified rejection of a car of grapes."

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MASSACHUSETTS POULTRY MEN  
ORGANIZE FOR EGG MARKETING.

Massachusetts poultrymen are organizing a program for more effective egg marketing under the name of Bay State Egg Producers Association, according to W. C. Monahan, specialist in poultry husbandry, Massachusetts Agricultural College. Local eggs are to be graded, cartoned, and labeled to identify their local origin. A merchandizing campaign is planned to make these local eggs known to consumers. The organization, as incorporated, has county units. Each county association selects five members to act as a marketing committee. The chairmen and treasurers of the county committees, together with three delegates appointed by the Massachusetts Federation of Poultry Associations, constitute the executive board of the State organization.

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COLORADO ENACTS COMPULSORY  
INSPECTION LAW.

The Governor of Colorado signed, on May 18, the compulsory inspection law recently enacted in that State. The bill makes inspection compulsory on major farm commodities, and is expected to increase materially the inspection activities in the Arkansas Valley and the immediate vicinity of Denver. The law becomes effective ninety days after signing by the Governor.

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THE WESTERN FARM ECONOMICS ASSOCIATION CONFERENCE will be held at the University of Idaho, Boise, June 9 to 13. Speakers will include Prof. M. L. Wilson and Dr. H. Stippler of Montana, Prof. H. R. Tolley of California, and Dr. W. A. Schoenfeld of the Federal Farm Board.

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Attn., Miss Trolinger,  
U. S. Dept. of Agriculture,  
Washington, D. C.

FARM SEASON UNDER WAY  
TOWARD LARGE PRODUCTION.

Farm crops are recovering from the effect of the continued cool weather, according to the Bureau of Agricultural Economics in its June 1 report on the agricultural situation.

"Winter wheat prospects have been improved," the report continues, "but the condition of hay and pastures is poor in many sections. Southern crops have been delayed by the cold, and early-planted truck has been coming to market later than usual. Fruit prospects are generally reported fair to good. Prices of both old and new potatoes have been so low that they may discourage increased planting.

"Livestock growers appear to be keeping up herds and flocks. Fat cattle and hog prices have reached the lowest levels in many years. This has been followed by a lessened demand for feeder cattle. Estimated milk production per cow has not changed much from last year, but the increased number of cows on farms has brought about an increase in total production.

"Breeding flocks of sheep came through the winter in good condition and this indicates a lamb crop somewhat larger than last year's. Feed prospects are not good in some sections of the Northwest, and more than average rainfall will be needed to produce feed necessary to bring late lambs up to average size by marketing time." Reports from a number of individual States indicate production expansion programs.

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IOWA SEES HIGHER DAIRY  
PRICES IN PROSPECT.

Iowa dairymen can look forward to some improvement in markets the last half of 1931 and further improvement in 1932, according to J. C. Galloway, Iowa State College.

"Dairy prices, however," he says, "probably will not swing back to 1927-28 levels within the next few years, economists believe."

Mr. Galloway says that "one ray of hope for the dairyman is found in the fact that feed prices are lower and that the best dairymen are finding that grain can be marketed through good cows at a substantial profit. Culling the poorer producing cows is the first step in decreasing production costs."

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NORTH CAROLINA MAKING  
REGIONAL ECONOMICS STUDY.

The North Carolina Extension Service reports that "the main agricultural regions of the State are being studied for the purpose of determining the combinations of crops and livestock which will yield maximum returns. This work has been completed in one area of the mountain region and in two Coastal Plain areas. During the past year this work has been located in the Piedmont region. Associated with these studies are more specialized investigations of farm practices in cotton and tobacco production and marketing. The results of these studies are proving of value in the adjustment of agriculture in the State."

EGG AUCTION MARKET OPENED  
AT VINELAND, NEW JERSEY.

Poultrymen of Southern New Jersey opened an auction market for eggs at Vineland, New Jersey, June 4. The eggs are inspected by the New Jersey Department of Agriculture and sold on the basis of official State egg grades. The market was organized and will operate with the cooperation of the Bureau of Markets, and will serve as an outlet for a large number of producers in Atlantic, Cumberland, Cape May, Salem and Gloucester counties.

Buyers from New York, Philadelphia and New Jersey cities and shore resorts are expected to patronize the new market, which will be open Monday and Thursday afternoons. Sales will be made for cash or certified check and the auction will operate in the same manner as the one at Flemington, New Jersey.

The New Jersey Department of Agriculture says that producers selling at the Flemington market have consistently received prices noticeably above what they would have received had they shipped their eggs to New York for sale, and similar results are expected at Vineland.

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FARM PRICES REACH  
NEW LOW LEVEL.

A new low level in the index of farm prices of agricultural products was reached on May 15 at 86 per cent of the pre-war level, 38 points below a year ago, and the lowest since 1910, according to the Bureau of Agricultural Economics.

The general course of prices paid producers for individual agricultural commodities was downward from April 15 to May 15, except for minor upturns in farm prices of wheat, barley, rye, flaxseed, apples and lambs. Increases in prices of wheat, barley and rye were sufficient to maintain the index of grain prices at the April level, but indexes of farm prices for the other groups of commodities showed declines, as follows: Poultry and poultry products, 13 points; dairy products, 8 points; meat animals, 7 points; cotton and cottonseed, 4 points; and fruits and vegetables, 1 point.

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MEATS, GOVERNMENT LABELED,  
SHOW RETAIL SALES INCREASE.

Retail sales of packaged meats labeled with a U. S. Department of Agriculture certificate of quality have increased from 20 to 40 per cent in individual stores in a group of New York food stores that use this system, according to reports to the department. The meat is examined by a Government grader at a central plant where each wholesale cut is stamped with the appropriate "U. S." grade. Each cut is placed in a sanitary package, or carton covered with a transparent wrapper and a Government grade label is affixed so that the consumer may see at a glance the Government certificate of quality. The packages are then placed in a special refrigerated container and distributed among retail stores. The innovation is an extension of the beef grading and stamping service inaugurated by the Bureau of Agricultural Economics several years ago for the purpose of carrying the grade designation from packer to consumer.

FARM REAL ESTATE TAXESDECLINE: LAND VALUES DROP.

Average taxes per acre on farm real estate declined slightly in 1930 compared to 1929, the first decline in the seventeen years of record, the Bureau of Agricultural Economics has announced. The net decrease for the United States averaged 1 point in the index or approximately 40 cents per \$100 of tax. The index figure is placed at 249 for the year 1930, compared with 250 in 1929, the year 1913 being used as a base of 100. Tax changes for last year ranged from an average decline of 12 points in the East North Central States to an increase of 7 points in the New England States. The bureau points out, however, that because prices of farm products and values of farm real estate have gone down more than taxes in the past year, farm real estate taxes are relatively higher than they were a year ago. Farm land values dropped 8 per cent during the year.

"Probability that farm land values have reached a level in many areas, at which farmers could earn a fair return under a moderate improvement in prices of farm products," is expressed by Dr. L. C. Gray of the bureau. He says: "It is not improbable that we have reached a level of farm land values in areas of good land adapted to modern technical methods which will not be subject to serious further recession."

ILLINOIS STARTS CAMPAIGNON FRUIT THINNING.

Prospects of a heavy national fruit crop and a weak market have lead to a fruit thinning campaign which will be pushed the first week in June by the extension service of the Illinois College of Agriculture, the college has announced. It is expected that besides preventing small sizes and poor grades of fruit, thinning will also protect many weakened and injured trees. It is stated that "owing to winter injury in January, 1930, the framework in many peach trees is not strong enough to support a heavy crop."

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NEW JERSEY TO ACCREDITFARMERS' ROADSIDE MARKETS.

Announcement of a plan for accrediting farmers' roadside markets so as to enable consumers to differentiate between roadside markets of bona fide farmers and those of hucksters who pose as farmers while selling inferior produce has been made by the county boards of agriculture of Essex, Morris, and Sussex Counties, New Jersey. The marketing committees of the boards of agriculture will rent "approved" signs to farmers who conform to rules and regulations outlined to define a high quality market. Applicants for the signs will have their farms inspected by the roadside marketing committees, the inspection to cover the farm, crops or livestock produced, and the roadside market. Unannounced inspections will be made at frequent intervals throughout the season, and any farmers who violate the rules will have their right to display the "approved" sign revoked.

ARGENTINA REMOVES BAN  
ON APPLE PACKAGES.

"American apples and pears may be imported (into Argentina) in barrels or bushel baskets, as a result of negotiations of the United States Embassy," according to a press dispatch from Buenos Aires, May 27. "The Provisional Government had previously decreed that such fruit must be shipped to Argentina in boxes. Fruit shipped in barrels or baskets must conform to all other sanitary restrictions of the Argentine Bureau of Agricultural Defense."

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NORTH CAROLINA DEPARTMENT  
TO INSPECT SEED.

Announcing the provisions of the State Seed Law passed by the North Carolina General Assembly of 1931, the North Carolina Department of Agriculture has informed farmers that they can have their seeds examined at the laboratory of the department, free of charge, and receive reports showing purity and germination. Tags may be obtained, on which to record the percentage of germination and purity as stated in the reports. Farmers in the State do not need a license to sell seeds grown on their farms but must have tags on packages as a guarantee to neighbors.

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STANDARD TRADE TERMS  
DISCUSSED AT CONFERENCE.

Separate definitions for the terms "f.o.b.", "f.o.b. acceptance", and "f.o.b. acceptance final", for inclusion in proposed standard rules and definitions of trade terms under the Produce Agency Act were suggested by representatives of the produce and vegetable trade meeting with officials of the United States Department of Agriculture at Washington, June 3. Trade representatives also suggested a definition for the term "suitable shipping condition". The department's decision with regard to definitions of trade terms for inclusion in the rules and regulations under the Act will be announced at a later date.

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NEW TYPE OF HAIL  
INSURANCE POLICY PROPOSED.

The proposal that hail insurance policies for farmers should carry a 20 per cent loss deductible clause instead of the 5 per cent minimum loss clause now commonly used and that the total insurance in the policy should apply on the other 80 per cent of the crop, was made by V. N. Valgren of the Bureau of Agricultural Economics, addressing the International Conference of Hail Insurance Commissioners at Denver, Colorado, June 1.

Mr. Valgren believes that "such a hail insurance policy, with the cost of insurance duly reflecting the savings to the insurance organization, would be an advantageous buy for farmers."

BRIEFS

IMPROVEMENTS in statistical and information services rendered the dairy industry by the United States Department of Agriculture were discussed at Washington, June 2 and 3, by a committee appointed at the dairy industry outlook conference in St. Louis in April, and representatives of the Department of Agriculture.

OREGON TURKEY GROWERS COOPERATIVE ASSOCIATION reports that more than \$200,000 worth of Oregon dressed birds graded under Federal inspection and packed according to weight were marketed last year.

EUROPEAN SPINNERS' takings of American cotton have increased in the last two months, deliveries for the four weeks ended May 15 being estimated at about 24,000 bales or about 9 per cent more than during the corresponding period last year.

FLAXSEED acreage reductions in the United States, Argentina, India, and minor producing countries are in prospect this year, says the Bureau of Agricultural Economics.

THE DAIRY INDUSTRY is more stable than most other agricultural businesses, says Prof. Leland Spencer, New York College of Agriculture, but he does not see a favorable outlook for higher milk prices for farmers for the next three to five years. He says reduced sales by milk producers' associations and large retail distributors give the impression that consumption has been curtailed more than is actually the case.

SIX RANGE COUNTIES IN UTAH AND NEVADA have been declared to be practically free from bovine tuberculosis and designated "modified accredited areas" by the U. S. Department of Agriculture. They are Davis, Millard, Morgan and Salt Lake Counties, Utah, and Pershing and Washoe Counties, Nevada.

PRACTICALLY SIXTY PERCENT of farmers' cash income from agricultural products is received from cotton, milk, hogs, cattle, calves, eggs, and chickens, says the Bureau of Agricultural Economics. Wheat is next on the list, with an average cash income of \$790,129,000 during the five years, 1925-29, or 7.89 per cent of the total cash income. Cotton and milk vie for first place, cotton contributing 14.59 per cent of the total, and milk 14.52 per cent.

"FARM ACCOUNTS THAT COUNT," has been issued as Circular 362, by the Illinois College of Agriculture, Urbana, Ill.

"BEEF PRODUCTION AND QUALITY as Affected by Grade of Steer and Feeding Grain Supplement on Grass," has been issued as technical Bulletin 217, by the U. S. Department of Agriculture.

"BEEF PRODUCTION ON THE FARM," is the title of Department of Agriculture Farmers' Bulletin 1592, just issued.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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June 10, 1931

Vol. 11, No. 23

"AMERICAN FARMERS CAN DEFEAT  
WORLD IN AGRICULTURAL PRODUCTION"  
 - Secretary Hyde.

"The intelligence, the thrift, the industry and the efficiency of American farmers are great enough to meet and defeat the world in producing any of our great agricultural products. But to do so they will have to sell on world markets at world prices," Secretary Hyde of the United States Department of Agriculture declared at the American Institute of Cooperation, Manhattan, Kansas, June 8.

He said: "We can probably continue to produce tobacco, lard, (and to some extent pork), rice, apples and citrus fruits for the export market, and, unless foreign expansion becomes too great, sell them at a profit. In cotton, we face a prospect of severe competition. The consumption of foreign growths of cotton is increasing faster than is the consumption of our own cotton. Sensational expansion of foreign cotton lands, however, is not likely. By reducing our costs and producing a higher quality of cotton, we can probably maintain our foreign market. Cotton growers need to balance their production both as to volume and quality against their market demands.

"The growth of domestic demand has practically eliminated exports of dairy products, beef, and poultry products, but there is little, if any room, for expansion of the volume of their production. Of all of our agricultural products, wheat is most vulnerable. Our advantage in wheat production over our competitors is not great. Our low cost wheat land is small in comparison with the limitless areas in Canada, Australia, Russia and Argentina. Our production costs are similar."

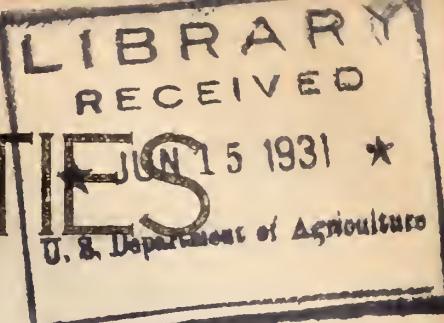
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NEW ENGLAND INSTITUTE  
OF COOPERATION TO MEET.

The fifth annual meeting of the New England Institute of Cooperation will be held at the University of Maine, Orono, Maine, June 23 to 25. Speakers will include William F. Schilling, Federal Farm Board; Fred H. Sexauer, New York Dairymen's League, Inc.; L. C. Tenny, Chicago Mercantile Exchange; W. P. Davis, New England Milk Producers' Association; F. G. Robb, Bureau of Agricultural Economics; Quentin Reynolds, Eastern States Farmers' Exchange; C. E. Hough, Connecticut Milk Producers Association, and L. H. Bean, Bureau of Agricultural Economics.

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AIRPLANE TRANSPORTATION of Oregon cherries to small markets west of Omaha is being tried experimentally by a Western aircraft corporation. If successful, a special cargo plane will be constructed to handle the business.



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U. S. Dept. of Agriculture Library,  
Attn., Miss Trolinger,  
Washington, D. C.

CONNECTICUT MARKETING  
OFFICIAL RESIGNS.

Earl H. Hodge, assistant director of marketing, Connecticut Department of Agriculture, has resigned to become Connecticut representative for a manufacturer of wooden boxes. Brainerd T. Peck, who has been assisting Mr. Hodge with grading and inspection work, will take charge of the fruit and vegetable marketing program of the department.

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OREGON BUTTER CONTAINERS  
MUST INDICATE GRADE.

Containers of butter made in Oregon must be stamped with the grade of the contents. The chief purpose of this requirement, according to Seymour Jones, Oregon Market Agent, is to state the butter quality which the purchaser has a right to know and to stimulate a fair price for superior value of good cream used in the making of butter. Enforcement of the law is under direction of the State dairy and food commissioner.

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IOWA ADVISES FARMERS TO  
POOL HONEY OR SELL DIRECT.

More advantageous marketing of honey can be secured if it is pooled in carload lots before being sold to a broker or wholesaler, or if producers will sell direct, according to F. B. Paddock, Iowa State College.

Brokers or wholesalers, he says, usually are not seeking small lots of honey and prefer to handle carlot shipments. In some localities a local committee has been appointed to assemble a car of honey for sale. Many producers sell much of their honey to local bakeries and grocery stores.

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NEW HAMPSHIRE TO REVISE  
APPLE GRADE REGULATIONS.

A conference of apple growers and handlers interested in rules and regulations governing the interpretations of New Hampshire apple grades will meet tomorrow (June 11) at Concord, New Hampshire, at the call of A. L. Felker, Commissioner of Agriculture.

Commissioner Felker says that "it is probable that Federal-State inspection service will be available this fall, and the service which the New Hampshire Department of Agriculture hopes to render in this field will be discussed at the conference."

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SURVEY TO BE MADE OF  
APPALACHIAN REGION.

An economic and social survey of the Scuthern Appalachian region, recommended by numerous public and private educational institutions, will be started this summer, Dr. L. C. Gray, economist of the U. S. Department of Agriculture and director of the survey, has announced.

NEW ENGLAND STATES TO  
HOLD MARKETING CONFERENCES.

The holding of farm marketing conferences in each of the New England States instead of a New England Farm Marketing Conference was agreed to at a meeting of New England Association Marketing Officials, at Springfield, Massachusetts, June 3. The meetings will be sponsored by the "New England label" users in each State, and will include representatives of State departments of agriculture, research agencies such as experiment stations, the extension service, and educational agencies.

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PENNSYLVANIA GIVES RESULTS  
OF MILK COST STUDIES.

Comparative costs of producing milk and butterfat in 94 Pennsylvania cow testing associations, covering the period 1918 to 1929, have been published by Earle L. Moffitt and Monroe J. Armes, Farm Management Extension, Pennsylvania State College.

The average of all records shows a cost of \$2.79 per hundred pounds of milk, and 63 cents per pound of butterfat. The survey included 1,920 herds. Milk production costs ranged from an average of \$2.20 per hundred pounds to an average of \$4.27, and butterfat costs from 53 cents per pound to 90 cents.

The writers state, however, that in presenting the cost figures the idea has not been to draw attention to the cost of producing milk but rather to emphasize the cost of maintaining a cow and how much milk she must produce at any given price to make her income sufficient to equal or better the cost of keeping her. A mimeographed copy of the report may be obtained from Pennsylvania State College.

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NEW YORK EGG CONSUMPTION  
SHOWS SHARP INCREASE.

Thirty-two States shipped eggs to New York City in 1930. New York State furnished 8 per cent of all eggs used in the State, and the Pacific Coast States furnished nearly 20 per cent of the 7,600,000 cases, according to M.C. Bond, New York College of Agriculture. Receipts increased  $6\frac{1}{2}$  per cent over 1929 arrivals.

In 1923, the Pacific Coast eggs sold at four cents a dozen less than nearby eggs on the New York market. Western eggs now command a premium of 1 cent a dozen over near-by eggs. This margin in favor of the Western eggs may continue to widen unless Eastern poultrymen ship better eggs of a more uniform grade, Professor Bond says.

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INVESTIGATORS at the Florida Experiment Station have found that it is possible to freeze tangerine juice by relatively simple methods and without any special precautions. It is said that tangerine juice blended with orange juice gives a richer and deeper color and more flavor to the orange juice.

ILLINOIS REPORTS INCREASED  
DEMAND FOR BUNCHED VEGETABLES.

Ten years ago it wasn't nearly as important to tie vegetables in bunches for market as it is now, says J. P. McCollum, Illinois College of Agriculture. Better grading and better handling have brought the change, he says. Bunching is now practiced with all the early root crops, green onions, asparagus, kohlrabi, rhubarb, parsley, leeks, celery, and sometimes sweet corn and various other products of the garden.

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NORTH DAKOTA FARM AREA  
REACHED PEAK IN 1929.

It is probable that North Dakota had a greater amount of land in farms in 1929 than at any other time in the history of the State, according to Rex E. Willard, North Dakota Agricultural College. The 1930 Federal census revealed that 38,657,891 acres were being farmed.

The total acreage was about 4 million acres less in 1923, and 2 million acres less in 1920. The average size of farms in North Dakota in 1930 was 496 acres, in 1925 it was 452 acres, and in 1920 it was 466 acres.

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4-H CLUB CAMP AT WASHINGTON  
JUNE 17 to 23.

One hundred and fifty-six farm boys and girls representing 40 states were registered on June 5 for the fifth annual National Boys and Girls 4-H Club Camp to be held in the Department of Agriculture grounds at Washington, D. C., June 17-23. Speakers who will address the campers at morning assemblies are: Mrs. Jane Deeter Rippin, formerly national director of the Girl Scouts, now Director of Research, Westchester County Publishers; Charles Francis Jenkins of the Jenkins Research Laboratory, inventor in the fields of radio and television; and Lieut. Commander Charles Rosendahl, U. S. Navy, who was a passenger on the Graf Zeppelin in its flight around the world.

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COOPERATIVE MARKETING GROWTH  
CITED BY CHAIRMAN STONE.

Cooperative marketing has made substantial progress in the past two years, James C. Stone, Chairman, Federal Farm Board, told delegates to the American Institute of Cooperation, at Manhattan, Kansas, June 12.

"About six times more wool was marketed cooperatively in 1930 than ever before," he said, "the amount of cotton handled by the cooperatives in that year was nearly doubled, and between three and four times as much grain moved cooperatively into the terminal markets as in any previous year. There has been an increase of nearly 70 per cent in membership of some of the cotton cooperatives; of around 64 per cent in the large scale wool associations; 54 per cent in the large scale egg and poultry organizations, and better than 29 per cent in 48 of the large associations marketing dairy products. It is estimated that the average gain of membership in the large scale associations is approximately 30 per cent."

FACTORY FARMS UNLIKELY  
IN PACIFIC STATES.

"Factory farms" on the Pacific Coast are not likely to develop to a degree where they will play an important part in the agriculture of the West, but there is now a trend toward the development of chain farm systems, according to R. L. Adams, professor of farm management, California College of Agriculture.

Professor Adams believes that the advantages of large power units, such as tractors, trucks, multiple plows and combined harvesters, are largely offset by the large amounts of capital needed to finance the acquiring of land and equipment, to meet labor payrolls, and to carry on the enterprise. Present day returns from agriculture, he says, do not lend encouragement to capitalists asked to finance large-scale farming operations.

"On the other hand," Professor Adams says, "the changing economic conditions affecting farming on the Pacific Coast justify a trend in the direction of large sized family farms, the handling of farms in groups of chains under the supervision of a paid manager, and the further development of managerial service. The trend is under way."

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IOWA ISSUES SUMMARY  
REPORT OF FARM RECORDS.

A summary report of 705 farm records kept in cooperation with the farm management specialists of the Iowa Agricultural Extension Service has just been issued to help individual farmers locate "leaks" or weaknesses in the organization of their business rather than to show the profitability or unprofitability of farming in Iowa. Copies may be obtained by writing the Extension Service, Ames, Iowa.

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"CARBONATION" DOES NOT PREVENT  
DAIRY PRODUCTS SPOILAGE.

Carbonation, now extensively used with certain beverages, offers little promise of reducing the heavy losses suffered by the dairy industry from the spoiling and deterioration of dairy products, according to Illinois College of Agriculture.

In experiments by the college, carbonation of dairy products did not prevent, nor in most cases even retard to any great extent, the deterioration of dairy products. In some instances, carbonation changed the character of the deterioration and in other cases it delayed or completely checked development of certain off-flavors. Whether these slight benefits are of economic value to the dairy industry remains to be demonstrated under commercial conditions, the college says.

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DIMINISHING SUPPLIES of domestic wheat in Europe, a continued fair demand for fruit, dullness in cotton, and heavy supplies of pork feature the foreign agricultural situation affecting the demand for American farm products.

BRIEFS

A NEW METHOD of estimating weight of hay in the stack is given in U. S. Department of Agriculture leaflet 72, entitled "Measuring Hay in Stacks."

EFFECTIVENESS of a recently discovered microscopic worm parasite is being investigated with the idea of further developing natural means of combating the Japanese beetle, New Jersey Department of Agriculture says. The tiny worms were found two years ago in Haddonfield, where investigations were being carried on in an effort to learn why a disease in the Japanese beetle population there had occurred.

THE AVERAGE BEE-KEEPER will make most profit if he limits his business to 400 colonies, the number he can care for single handed, says United States Department of Agriculture.

RESULTS of a farm business survey of 176 Hunterdon County (New Jersey) dairy farms for 1931 are given in the May, 1931, issue of the "Economic Review of New Jersey Agriculture" published by the New Jersey Extension Service, New Brunswick, N. J.

RECENT State publications include the following titles:

- "Fifth Annual Report, Commissioner, Connecticut Department of Agriculture, Hartford, Conn.
- "Nebraska Agricultural Statistics, Annual Report, 1930," Nebraska Department of Agriculture, Lincoln, Nebr.
- "Supplement to Flax Facts," joint publication extension services of Minnesota, Montana, North Dakota, and South Dakota.
- "Results of Hog Feeding Demonstrations Covering Five Years," Extension Folder 30, North Carolina College of Agriculture, Raleigh, N. C.
- "Composition and Cost of Commercial Fertilizers in New York from 1913 to 1930," New York Experiment Station, Geneva, N. Y.
- "Available Bulletins," Iowa Experiment Station, Ames, Ia.

FEDERAL publications include:

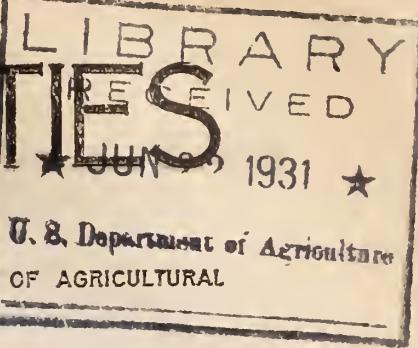
- "The Purpose and Preparation of the Agricultural Outlook," by Lawrence Myers, Bureau of Agricultural Economics.
- "Farm Prices of Cotton Related to Quality Oklahoma Crop, Season 1928-29," Bureau of Agricultural Economics.
- "Farm Prices of Cotton Related to Quality Arkansas Crop, Season 1928-29," Bureau of Agricultural Economics.
- "Conserving Corn from Weevils in the Gulf Coast States," Farmers Bulletin 1029.
- "Standard Breeds & Varieties of Chickens," Farmers Bulletin 1506, (revised).

A MARKED INCREASE in consumption of domestic wool in the United States has more than offset decreased consumption of foreign wool, says Bureau of Agricultural Economics.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



June 17, 1931

Vol. 11, No. 24

WOULD LEGISLATE COMPULSORY  
FEDERAL TOBACCO STANDARDS.

Recommendation that "legislation similar to that contained in the Cotton Standards Act should be enacted and the Secretary of Agriculture empowered to establish and enforce standards in the tobacco industry," is made by James A. Horton of the Federal Trade Commission in a report on the marketing of leaf tobacco in the flue-cured districts of North Carolina and Georgia.

Mr. Horton continues:

"It would likewise appear that the various tobacco growing States should enact legislation establishing within their borders the system of grades established by the Department of Agriculture, making this system compulsory at all auction warehouses. In conjunction with this plan it would be highly desirable to segregate the various grades of tobacco and instead of each individual basket of tobacco being auctioned off as it is under the present system, this tobacco should be placed in rows and auctioned or sold en bloc.

"It is also highly desirable that daily market quotations be published throughout this district, quoting prices on the various grades of tobacco sold, which would afford the tobacco grower information as to the condition of the market.

"The present system of Government grading established at a number of warehouses in the flue-cured district is probably the most progressive step taken in this industry within the last fifty years, and warrants the support and encouragement of the producer and manufacturer alike."

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S. H. McCRARY HEADS BUREAU  
OF AGRICULTURAL ENGINEERING.

S. H. McCrary has been named by Secretary Hyde to head the Bureau of Agricultural Engineering, authorized by act of the last Congress, to begin its existence as a part of the U. S. Department of Agriculture on July 1. The bureau will take the place of the Division of Agricultural Engineering of the Bureau of Public Roads.

The new bureau will carry on the current activities of the old division. It will emphasize farm mechanical equipment studies. These activities will center for the present on such work as developing machinery to combat crop pests such as the European corn borer, investigations designed to improve machinery for distributing fertilizer, and experimental studies of cotton ginning. The engineering studies dealing with the control of soil erosion will be pushed as rapidly as possible. Eight experimental farms for the study of this problem are in operation.

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Attn., Miss Tolinger,  
Washington, D. C.

THEODORE D. HAMMATT JOINS  
GRAIN FUTURES ADMINISTRATION.

Appointment of Theodore D. Hammatt as senior marketing specialist in the Grain Futures Administration, U. S. Department of Agriculture, has been announced by Dr. J. W. T. Duvel, chief of the Administration. Mr. Hammatt has been connected with the United States Department of Commerce since 1923, more recently in charge of the Grain and Flour Section of the Bureau of Foreign and Domestic Commerce. He will be responsible for the statistical and analytical work of the Grain Futures Administration as it pertains to future trading and the grain markets in general.

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NORTH CAROLINA APPOINTS FARMERS  
ON STATE BOARD OF AGRICULTURE.

The appointment of five farmers as members of the new State Board of Agriculture as provided by a bill reducing the membership from ten to five persons has been announced by Commissioner William A. Graham of the North Carolina Department of Agriculture.

The appointees are D. Reeves Noland, Waynesville, general farmer; J. G. Staton, Williamston, tobacco farmer; Charles S. Young, Shelby, cotton farmer; George Watts Hill, Durham, livestock farmer, and D. H. Bridges, Warsaw, truck farmer.

The bill made it mandatory that appointments be made with a view to representing the several farming interests of the State.

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ILLINOIS HEN PROFITS  
ANALYZED BY COLLEGE.

Average profits of \$1.61 a hen were paid by the one-third highest flocks in a group of 246 farm flocks whose owners in 1930 cooperated with the Illinois Extension Service in keeping records. The one-third lowest flocks lost money at the rate of 59 cents a hen, while the average for the entire group of 246 flocks was a profit of 64 cents a hen.

Owners of the one-third highest flocks kept up their profits in the face of 1930 conditions by taking advantage of low feed costs, getting more eggs, and increasing their efficiency generally, says H. H. Alp, Illinois poultry extension specialist. The average egg yield for the 246 flocks was 126 eggs a hen. Hens in the one-third highest flocks laid an average of 135 eggs.

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PENNSYLVANIA POULTRY MEN  
OPEN EGG AUCTION AT DOYLESTOWN.

An egg auction is to be opened at Doylestown, Pennsylvania, on July 13. Thirty-two poultrymen with more than 45,000 laying birds have joined the association. The auctions will be conducted on Monday and Thursday of each week. The poultrymen plan to market 100 or more cases of eggs in the first auction.

NEW JERSEY SEES BETTER  
EGG PRICES BY SEPTEMBER.

Business prospects for eastern poultrymen are distinctly encouraging and 1932 promises to be the best of recent years for them, according to Prof. Willard C. Thompson, poultry husbandman, New Jersey Agricultural Experiment Station.

"By September, although not before, we shall see an advance in egg prices, which have been down to alarmingly low levels," he predicts. "All farmers who can get hold of good pullet flocks this season should do so and those who have them should keep them." The advance in egg prices will be accompanied by rising prices for poultry meat."

Decreased competition of cold storage eggs with fresh ones is visioned by Professor Thompson for next winter.

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LOUISIANA SEES FINISH  
OF "ONE-MULE COTTON FARMER."

Mississippi Delta records of production costs reveal the facts that the cultivating costs of cotton with one mule is \$13.09 per acre, with four mules \$8.09 per acre, and with a four row tractor \$5.24 per acre.

"These figures," says B. B. Jones, Louisiana Extension Service, "indicate that the one-mule farmer must soon pass out of the picture and that machinery production of cotton is the way to reduce per unit costs and make profits possible during our present low prices."

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CALIFORNIA MAN GETS GOVERNMENT  
FOREIGN AGRICULTURE POST.

Lester D. Mallory, research assistant, Giannini Foundation, University of California, has received an appointment as assistant agricultural economist in the foreign agricultural service, United States Department of Agriculture, effective June 15.

Mr. Mallory will be stationed in the department's foreign office at Marseilles, France, where he will study and report on the production of crops, principally fruits in the Mediterranean Basin, and on the probable demand for American products in markets of southern Europe.

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PERMIT SYSTEM SOUGHT IN  
GRAIN RUST QUARANTINE.

The desirability of establishing a permit system, under which Federal permits would be issued authorizing the shipment of immune varieties of barberry and Mahonia plants into or between the 13 barberry eradication States was considered at a public hearing held by the U. S. Department of Agriculture, June 9. Decisions on this proposal as well as on the proposed including of the 13 barberry eradication States with the 35 now quarantined under the black stem rust of grain quarantine will be announced later by the Secretary of Agriculture.

NEW YORK TO HOLD CONFERENCE  
ON RESTAURANTS AS FOOD OUTLETS.

The importance of the restaurant as an outlet for food products will be the subject of a "Restaurant Conference" to be held by the New York Food Marketing Research Council in New York City, June 19.

Topics for discussion are "an analysis of the food consumed in the restaurant of today," by A. L. Olsen, Cornell University; "the place occupied by hotels and restaurants in the distribution of New York's food supply," by William A. Nielander, Columbia University; "changing food habits in hotels, clubs, and restaurants," by J. C. Dahl, Ahrens Publications, and "trends in restaurant food merchandising," by E. M. Fleischmann, Huyler's, Inc.

BRIEFS

CHEAPER LOANS for farmers depend on better farm management and stronger credit institutions, according to Eric Englund, assistant chief, Bureau of Agricultural Economics, in an address read at the American Institution of tion, Manhattan, Kansas, June 11.

"Much of the responsibility for securing satisfactory production credit rests upon the individual farmer," he said. "The fact that many farmers who laid aside a part of their earnings in good years lost their savings in bank failures is a challenge to financial authorities to devise some plan whereby farmers may safely invest their small earnings in years when re- turns exceed current requirements."

THE INCREASING TENDENCY of insurance companies to cover trifling farm hazards adds needlessly to the cost of farmers' insurance protection and is accountable in part for the serious under-insurance of agriculture, declared V. N. Valgren, Bureau of Agricultural Economics, at the American Institute of Cooperation.

FALL-SOWN OATS in some of the southern States are showing unusual amounts of smut this year, say T. R. Stanton and F. A. Coffman, Federal Bureau of Plant Industry.

OWNERS OF FARMS where beef cattle provide the major part of the farm income obtain best results when the breeding herd is large enough to produce at least a carload of cattle each year, according to Farmers' Bulletin 1592, "Beef Production on the Farm", just issued by the U. S. Department of Agriculture.

PORK PRODUCTION is tending to go below last year's level in the United States and Canada, but the production trend is upward in practically all European producing countries except Denmark, says the Bureau of Agricultural Economics, in its June report on world hog and pork prospects.

BEGINNING ON THE FIRST OF JULY, the Bureau of Agricultural Economics is authorized to inspect and certify to the grade of any canned fruit or vegetable, for which Government grades shall have been established, at the re- quest of any financially interested party. Fees are to be charged to cover cost of the service.

## NEW JERSEY POULTRY AUCTION

By Wallace S. Moreland.  
New Jersey Agricultural Experiment Station

New Jersey's first auction market for broilers and fowls, established a month ago in Hunterdon County, is providing farmers and poultrymen of that area keen competition among buyers for their poultry. Hunterdon producers believe auctions of fowls and broilers may be as profitable, in proportion to the amount of business done, as the egg auction market established in Hunterdon County last August. This recent development of auctioning poultry is an outgrowth of the egg auction, and both are conducted by the Flemington Cooperative Auction Market Association, Inc., which has a membership of nearly 500 producers.

The plan of operation of the poultry auction market is simple. Any bona fide producer whose application has the approval of the directors of the auction market association, can have his poultry sold over the auction block upon agreeing to conform to the rules and on paying a \$1 membership fee. The auction is conducted with dispatch each Wednesday forenoon in one of the cattle barns of the Flemington Fair Association. Producers bring their birds, crated and graded, to the auction an hour or two before the sale is to start. Officials of the New Jersey State Department of Agriculture inspect the birds to make sure no diseased specimens are offered for sale. Then the birds are weighed by lots, and tagged for inspection by buyers.

On May 13, the date of the third poultry auction, old roosters of the heavy breeds brought 18½ cents at Flemington and those of the White Leghorn variety brought from 13 to 15 cents. Only one New York quotation was given for old roosters, and that was 13 to 14 cents. Heavy breed fowls sold for from 20½ to 26 cents at Flemington, from 21 to 22 cents in New York. Leghorn fowls brought 15 to 22 cents at Flemington, 17 to 18 cents in New York. White Leghorn broilers sold for from 18 to 34½ cents over the auction block, and similar grades brought from 21 to 32 cents in New York. Rhode Island Red broilers brought 29 to 35½ cents at Flemington, 28 to 34 cents in New York. Barred Rock broilers sold for 36½ cents to 38 cents on the auction market, 35 to 36 cents in New York. A total of 184 crates was sold that day for \$2,013.59.

The foregoing prices, especially when compared with those paid by the New York market, can be considered as favoring the producer. He sells on the auction at a charge of only 50 cents a crate, whereas had he shipped to New York there would have been express charges of 50 cents or more a crate, as well as a commission to pay on each lot of birds sold. Furthermore, the loss from shrinkage in weight is more on birds shipped to New York than it is on those taken the shorter distance to the Flemington Fair Grounds.

The chief advantage to the producer of selling poultry by auction is that he receives higher net prices as the result of the competition among buyers for the birds, in the opinion of E. A. Gauntt, Hunterdon County Agricultural agent, who serves in an advisory capacity on the auction market association's board of directors. Rules of the auction market require buyers to pay with cash or certified check on the day of the sale. If the producer believes prices being paid are too low, he may withdraw his birds, provided they have not already been put up for sale. Buyers favor the new market because they can effect economies in obtaining their supplies of poultry.

## ECONOMIC PROBLEMS FACE MINNESOTA CREAMERIES

By W. Bruce Silcox,  
Minnesota Department of Agriculture

The Extension Division is endeavoring to furnish cooperative creamery organizations in Minnesota with data and information which will be of help in solving specific problems.

Many difficulties arising in cooperative creamery organizations could be simplified through proper leadership. If greater care were taken in selecting directors, some problem now existing would never have arisen.

Another problem common to many creamery organizations in Minnesota is that of securing sufficient capital to operate economically. Frequently associations have ventured into business with too little capital. New creamery organizations should raise more capital by the sale of capital stock than has been the practice. This will provide more working capital with which the associations may meet their obligations promptly and take advantage of discounts.

One of the most serious problems is that of securing a sufficient volume of business. Many creameries are located in areas of keen competition where the struggle to increase the amount of cream and butter handled is strenuous. The cost of manufacturing a pound of butter in small creameries is usually considerably above the average. While the introduction of trucks has increased volume for many creameries it has frequently done this at the expense of neighboring creameries. Creameries in areas where the amount of cream delivered is dwindling, are concerned as to how their volume of business may be maintained.

Much has been accomplished in improving the quality of butter made in Minnesota creameries, but there is still ample opportunity for improvement. Had 90 per cent of the butter made at one average-sized creamery in Minnesota last year graded 93 score, the income from the butter would have been increased by more than \$1,000.

Loyalty of members in supporting the local organization in times of discouraging prices is a large factor in successful creamery operation.

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PUBLICATIONS

The following mimeographed reports have been issued recently by the Bureau of Agricultural Economics.:

- "Marketing North Carolina Peaches, 1930 Season," by R. E. Keller
- "The Foreign Agricultural Situation," radio talk by L. A. Wheeler, June 3.
- "New Inspection for Canned Goods," radio talk by Wells A. Sherman, June 4.
- "May Grain Markets," radio talk by G. A. Collier, May 27.
- "The Egg and Poultry Markets for May," radio talk by Roy C. Potts, May 28.
- "The Lamb Market in May," radio talk by C. L. Harlan, May 21.
- "May Dairy Markets Situation," radio talk by L. M. Davis, May 27.

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STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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### NEW YORK PUTS NEW GRADING LAW INTO EFFECT JULY 1.

Tentative standards and regulations for the packing, labeling, and sale of potatoes by New York State growers and shippers have been announced by the State Department of Agriculture and Markets under authority of a new grading law that becomes effective July 1. Public hearings on the proposed standards are being held in potato grading sections throughout the State.

The new grading law forbids offering for sale or selling any farm product marked or labeled in any way "which shall be false or misleading in any particular." It also forbids selling or offering for sale farm products packed in such a manner that the "face or shown surface shall not be an average of the contents." These provisions apply to all farm produce sold in New York State, no matter where it may have originated.

The new law also gives authority to the Commissioner of Agriculture and Markets to establish "official definitions and standards for the grading, classifying, packing and labeling of farm products packed or repacked within the State" and provides specifically for regulating the "marketing, packing, labeling, and shipping of culls."

"This last feature," according to H. D. Phillips, director, New York Bureau of Markets, "and the fact that there is no compulsion in regard to use of the official grades, when and if established, (except that if used they must be used correctly) marks this as a rather new sort of grading law, quite unlike most of the State laws so far passed in this connection." The provisions with regard to 'over-facing' and to false and misleading marking and labeling will undoubtedly affect some distant shipping sections which engage in the practice of extreme over-facing and, especially, the use of misleading marking and labeling."

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### NEW JERSEY LICENSING LAW INCLUDES "AGENTS".

The produce dealers licensing and bonding law, Chapter 93, Laws of 1930, State of New Jersey, was amended at the recent session of the New Jersey Legislature to include not only commission merchants, dealers and brokers in perishable agricultural commodities, but also their agents. All of these classes of merchants, if they obtain goods on credit from farmers, must be licensed and bonded by the State Department of Agriculture. A provision of the original law which exempted those who purchased on credit goods totaling \$25 or less in value was repealed by the amendment. The penalty clause of the original act was repealed and a new one enacted requiring that the penalty be paid immediately upon conviction. If it is not paid immediately a jail sentence is mandatory.

MANY HEARINGS SCHEDULED  
UNDER P.A.C. ACT.

Hearings in ten cases under the Perishable Agricultural Commodities Act are scheduled during the period June 24 to July 13, by the Bureau of Agricultural Economics.

The schedule calls for a hearing in Altoona, Pennsylvania, June 24, on a complaint against the Altoona Produce Co., involving an allegation of failure truly and correctly to account for a car of tomatoes and a car of cucumbers; the taking of depositions in Pittsburgh on June 25 in a complaint against Hallock, Young & Co., Inc., Mattituck, N. J., and hearings in Cleveland, June 26, in a complaint against Thomas Caito, alleging unjustified rejection of ten cars of pears.

Other hearings are as follows: Newark, N. J., June 29, complaint against Paul Rothman, Inc., alleging unjustified rejection of two cars of grapes; Brooklyn, N. Y., June 30, complaint against Hashinsky, Breslow & Richer, alleging unjustified rejection of a car of grapes; Mattituck, N. J., July 1, complaint against Hallock, Young & Co., Inc., alleging failure to deliver in accordance with the terms of the contract two cars of potatoes; New York City, July 3, complaint against Mersel & Fortgang, alleging failure truly and correctly to account in connection with 125 barrels of grapes; Bridgeport, Conn., July 6, against A. Abeson, Inc., alleging unjustified rejection of a car of potatoes; Boston, July 8, against the B. & D. Fruit Co., alleging unjustified rejection of a car of grapes; Burt, N. Y., July 10, against Burt Cold Storage, Inc., alleging failure to deliver in accordance with the terms of the contract a car of peaches; Buffalo, July 13, against Attman & Swartz, alleging unjustified rejection of a car of Honey Dew melons.

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SUMMER OUTLOOK REPORTS  
ARE SCHEDULED.

The farm outlook for poultry, eggs, sheep, lambs, beef cattle, fall sown grains, hogs, and feedstuffs will be covered in a series of summer "outlook" reports to be issued during the next three months by the Bureau of Agricultural Economics.

An outlook report on poultry and eggs will be issued by the bureau on July 23; a report on sheep and lambs on July 27; beef cattle, August 24; fall grains, September 5; hogs, September 14, and feedstuffs, September 22.

The reports this summer will be used as a basis for discussion in several regional outlook meetings of Federal and State agricultural extension officials, as follows:

"Western States, July 27-30, Salt Lake City, Utah; Central States, September 16-18, Urbana, Illinois; Appalachian States, October 27-29, State College, Pennsylvania; and Southern States, November 10-14, Memphis, Tennessee. A conference will be held in New England in the early winter. About February 1, 1932, the bureau will issue its annual outlook report for 1932 on all farm commodities, prepared in cooperation with State agricultural colleges and extension services.

NEW JERSEY ADOPTS  
OFFICIAL MILK GRADES.

Two official grades for milk, with definite standards of purity and safety, have been adopted by the New Jersey State Board of Agriculture. The grades set up standards to be known as "New Jersey Grade A Pasteurized" and "New Jersey Grade A Raw". The latter grade is intended to meet the demand for unpasteurized milk which exists in large areas of the State. The grades are permissive.

The standards require that all cows producing milk sold under the grade terms be regularly tuberculin-tested under State and Federal supervision, that the premises where the milk is produced meet scientifically accepted requirements as to sanitation and cleanliness and that persons coming in contact with the milk, as well as the cows, be frequently examined to guard against the transmission of disease.

A system for inspection of milk sold in accordance with the grades will be maintained by the State Department of Agriculture, the costs of inspection to be paid in part by the producers and distributors of the milk.

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NORTH DAKOTA REPORTS  
ON FARM INCOMES.

Production of alfalfa and sweet clover were found to have an important bearing on the size of farm incomes for fifteen farms recently surveyed in McKenzie County, North Dakota, by E. A. Hendrickson, county agent, and F. H. Turner, farm economist of the Agricultural College. Reports made by the 15 farmers on their 1930 farm operations disclosed that the three farms having the highest net incomes raised 195 acres of alfalfa and sweet clover out of a total of 371 acres grown last year on the entire group of farms. The average net income on these farms was \$1,867 as compared with \$410 for all of them. Measures of efficiency used in making the farm survey included the number of pigs raised per sow, percentage of lamb crop raised, crop acres per work horse, crop acres per man, machinery investment per acre, and number of turkeys raised per turkey hen.

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CLEVELAND LIKES VINE-RIPE  
PRECOOLED CANTALOUPES.

Vine-ripe precooled cantaloupes have been commanding premiums of 50 cents to 75 cents per crate on the Cleveland, Ohio, market this season. Many cars of cantaloupes received on the market have run from 25 per cent to 50 per cent vine-ripe.

"This ripe stock," says A. B. Farlinger, market news representative for the Bureau of Agricultural Economics, "has been arriving in good condition but must be handled quickly, especially after removing from refrigeration. Stock off ice for half a day shows signs of deterioration, and after a day off ice the stock becomes soft and unattractive; in many cases mold commences to develop almost immediately."

"FROZEN PACK" FRUIT PERMITTED  
ENTRY INTO UNITED STATES.

Frozen pack fruit, other than avocados from Mexico and Central America, may enter the continental United States, under permit and inspection, from all foreign countries, and the Territories of Porto Rico and Hawaii, the Federal Plant Quarantine and Control Administration has announced.

The fruit must be cooled to a temperature of 20° F. after freezing and be at or below this temperature in all parts of the package when it is inspected before unloading at ports of entry. The low temperatures to which fruit is exposed by the frozen pack process have been found highly effective in destroying the maggots of fruit flies which may be infesting the pulp of the fruit.

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DR. MANN IS APPOINTED AS  
"PROVOST" AT CORNELL.

Dr. A. R. Mann, dean of New York State Colleges of Agriculture and of Home Economics has been elected provost of Cornell University, a new office recently created by the Board of Trustees. He will resign the deanship of the two State colleges. The office of provost is designed by the Board of Trustees to relieve President Livingston Farrand's office of many executive duties. Dr. Mann will be, under the president, the executive officer of the University.

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FEDERAL GRADES ANNOUNCED ON  
ONIONS AND RASPBERRIES.

United States standards for northern grown onions and United States standards for raspberries have been announced by the Bureau of Agricultural Economics.

The standards for onions include U. S. No. 1, U. S. Commercial, U. S. No. 1 Boilers, U. S. No. 1 Picklers, and Unclassified. The standards for raspberries are U. S. No. 1, U. S. No. 2, and Unclassified.

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IOWA HAS MANY POULTRY  
AND EGG DEALERS.

On December 1, 1929, Iowa had 7,489 licensed egg dealers or one dealer for approximately every 28 farms, and 3,325 licensed poultry buyers, or one to every 63 farms, according to Iowa Experiment Station. The egg dealers include grocery and country stores, which number 5,267, and produce stations numbering 1,584, and hucksters, hatcheries and miscellaneous.

Iowa farmers are urged by the Station to study egg market outlets because many dealers are buying eggs only in an incidental way or as an accommodation and are not particularly interested in the most profitable and economical handling of eggs. Back hauls, cross hauls, rehandling and other useless handling add to marketing costs, says the Station. In all but a few cases, the agencies buy eggs on a straight-run basis rather than on grade basis.

BRIEFS

SEVEN PENNSYLVANIA WOOL POOLS containing 115,000 pounds of fleeces have been sold, announces Pennsylvania State College. Twenty-one more pools representing about 3,000 growers and containing approximately 400,000 pounds of wool are awaiting sale.

STUDIES of the many factors that affect the germination of seed, including the influence of light, heat, moisture, maturity of seed, storage conditions, etc., are to be inaugurated at New York State Experiment Station, Geneva, July 1.

CURRENT DEVELOPMENTS in the world dairy situation are a marked increase in butter production in Canada, virtual cessation of Canadian exports of cream and milk to the United States, and the higher Canadian tariff on butter, says the Bureau of Agricultural Economics in its June report on world dairy prospects.

THE POULTRY INDUSTRY should improve during the next few months, in the opinion of R. W. Dunlap, Assistant Secretary, U. S. Department of Agriculture. Flocks, he says, have been culled closely, early hatchings this year were lighter than last, and cold storage holdings of both eggs and chickens are substantially below those of a year ago.

WORLD RICE SUPPLIES are larger but United States stocks are normal, says the Bureau of Agricultural Economics. The situation is featured by large supplies and reduced export movement in all Oriental exporting markets, and by unusually low prices which give no present indication of strengthening, says the bureau.

BIG GAME ANIMALS in the National Forests now number more than a million head, according to the U. S. Forest Service, a gain of approximately 9 per cent in 12 months being shown by the annual wild game "census". This year's increase is chiefly in deer.

ONE-TENTH OF THE UNITED STATES HAY CROP is lost from the time it is cut until it is used as a result of spontaneous heating, says Dr. C. A. Brown, U. S. Department of Agriculture. He says that the annual loss resulting from the burning of barns and other farm property in the United States as a result of spontaneous combustion has been estimated to exceed 20 million dollars a year, but that the actual loss in the decrease in weight and nutritive value of hay during spontaneous heating will amount annually to many times that sum.

LIGHT WEIGHT EWES produced lamb crops weighing only 58 pounds, whereas heavy ewes boosted the weight of their lamb crop per head per year to 131 pounds, the Montana Experiment Station has found in experiments. The average weight of fleeces from light ewes was six pounds whereas heavy ewes produced fleeces averaging nearly 12 pounds. The averages were obtained from six crops of wool.

PUBLICATIONS

(Bureau of Agricultural Economics mimeographs)

"Marketing Washington Lettuce, 1930 Season," by R. T. Hall.  
"Marketing Eastern Shore Cucumbers, 1930 Season," by V. H. Nicholson.  
"Marketing Colorado Lettuce, Cauliflower, Green Peas and Cabbage, 1930 Season," by Bryce Morris.  
"Marketing Tennessee Tomatoes, 1930 Season," by H. E. Rutland.  
"Wheat: Cost of Production, 1923-1930, References Relating to the United States and Some Foreign Countries."  
"What is New in Farm Management Research Methodology?" by C. L. Holmes.  
"Coordination of Farm Management Research in the Western States," by C. L. Holmes.  
"Publications relating to Farm Population and Rural Life."  
"World Wool Prospects", June 8.  
"Proposed Consolidation and Amendment of Federal Standard Container Legislation," by H. A. Spilman.  
"The Price Situation," radio talk by C. M. Purves, May 15.  
"World Agricultural News," radio talk by Asher Hobson, May 7.  
"The Price Situation," radio talk by C. M. Purves, June 16.  
"June Cattle Markets," radio talk by C. V. Whalin, June 16.  
"Recent Changes in Farm Taxes," radio talk by Eric Englund, May 28.  
"June Crop Report," radio talk by W. F. Callander, June 10.  
"Fruit and Vegetable Crop Conditions on June 1," radio talk by Paul Koenig, June 10.  
"The Early Potato Situation, radio talk by Paul Froehlich, May 18.  
"The June 1 Crop Report on Grain and Hay Crops." radio talk by Joseph A. Becker, June 10.

(State and Federal Bulletins)

"Type of Farming Areas in Texas," Bulletin 427, Texas Experiment Station.  
"A Method of Determining the Volume and Tonnage of Haystacks," Technical Bulletin 239, U. S. Department of Agriculture.  
"Harvesting Small Grain, Soybeans, and Clover in the Corn Belt with Combines and Binders," Technical Bulletin 244, U. S. Department of Agriculture.  
"Marketing Iowa's Poultry Products," Bulletin 173, Iowa Extension Service.  
"Developing Pullets for Winter Layers," Circular 15 Revised, Tennessee Extension Service.  
"Financial Structure of Cooperatives," Circular 4, Federal Farm Board.  
"Dry-Farming Investigations in Northeastern New Mexico," Bulletin 191, New Mexico Experiment Station.  
"Fertilizers for Cash Crops," Circular 243, Wisconsin Extension Service.



